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HIGH-LEVEL COMMITTEE ON THE REVIEW
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Item 6 of the provisonal agenda

REPORT ON THE IMPLEMENTATION OF THE RECOMMENDATIONS OF THE JOINT INSPECTION UNIT FOR UNITED NATIONS DEVELOPMENT SYSTEM SUPPORT TO THE IMPLEMENTATION OF THE BUENOS AIRES PLAN OF ACTION FOR PROMOTING AND IMPLEMENTING TECHNICAL COOPERATION AMONG DEVELOPING COUNTRIES

Report of the Administrator

SUMMARY

The present report has been prepared in response to paragraph 4 of decision 6/7 of the High-level Committee and contains information on the progress of implementation of the recommendations of the report of the Joint Inspection Unit 1/ concerning United Nations development system support to the implementation of the Buenos Aires Plan of Action (BAPA).

The report presents a synthesis of the information provided by the organizations of the United Nations development system. It highlights the progress made, and the difficulties being encountered, by the organizations in implementing the recommendations of the Joint Inspection Unit.

The Committee's attention is drawn to paragraphs 39 to 41, which contain the Administrator's conclusions.

Introduction

1. The High-level Committee at its sixth session requested the Administrator of the United Nations Development Programme (UNDP) to report to the High-level Committee at its seventh session on the progress of the implementation of all recommendations of the Joint Inspection Unit (JIU) on TCDC during the biennium.

2. In compliance with this request, 36 agencies and organizations of the United Nations development system (UNDS) were invited to provide the needed information. As of 28 February, replies were received from the following 22 organizations: Economic Commission for Latin America and the Caribbean (ECLAC), Food and Agriculture Organization of the United Nations (FAO), International Civil Aviation Organization (ICAO), International Atomic Energy Agency (IAEA), International Maritime Organization (IMO), International Telecommunication Union (ITU), International Trade Centre UNCTAD/GATT (ITC), International Research and Training Institute for the Advancement of Women (INSTRAW), United Nations Centre for Human Settlements (UNCHS), United Nations Conference on Trade and Development (UNCTAD), Department of International Economic and Social Affairs (DIESA), Department of Technical Cooperation for Development (DTCD), United Nations Environment Programme (UNEP), United Nations Educational, Scientific and Cultural Organization (UNESCO), Office of the United Nations High Commissioner for Refugees (UNHCR), United Nations Industrial Development Organization (UNIDO), United Nations Institute for Training and Research (UNITAR), Universal Postal Union (UPU), World Food Programme (WFP) and World Tourism Organization (WTO).

3. For ease of reference, each of the recommendations of the JIU that is applicable to agencies and organizations of the UNDS is reproduced below, followed by a synthesis of the information which agencies and organizations have provided for this report.

4. Recommendation 1

> "(a) The UNDS organizations should consider the BAPA as a binding legislative framework for their TCDC activities. When specific legislation is enacted, it should clearly indicate concrete tasks to be accomplished in the area of TCDC and authorize allocation of resources required for that purpose.
>
> "(b) Governing bodies should avoid laying down mandates for ECDC and TCDC in the same legislation: each should be addressed separately.
>
> "(c) Reporting and accountability should, similarly, be identified separately, and governing bodies should regularly, at least every two years, consider their organization's TCDC activities as a separate agenda item."

Response of the organizations

Recommendation 1 (a)

5. As noted in the report of the Administrator submitted at the sixth session of the High-level Committee on the status of implementation of the recommendations of JIU (TCDC/6/6, 10 March 1989) virtually all the governing bodies of agencies and organizations of the UNDS have reportedly endorsed the Buenos Aires Plan of Action (BAPA) and have indicated that they consider it to be the basic framework for their actions in support of TCDC. The organization's endorsements have taken the form of numerous resolutions and other official actions intended to further the use of TCDC modalities in their technical cooperation activities. Three organizations have reported further action in support of TCDC during the past biennium: ITU, whose Plenipotentiary Conference in 1989 recognized TCDC explicitly as a mandate of ITU and assigned a budgetary allocation; UPU, which adopted a resolution at its Washington Congress in 1989, calling upon the organization and member countries to promote and support TCDC modalities; UNIDO, which adopted a resolution calling for cooperation with UNDP with respect to INRES-South.

6. UNCTAD notes that the Declaration and Programme of Action of the Second United Nations Conference on the Least Developed Countries, held in Paris in 1990, emphasizes the need for strengthened economic and technical cooperation between least developed countries and other developing countries, makes specific recommendations, and highly recommends TCDC in this regard.

7. It should be noted, however, that with respect to recommendation 1 (a), there appears to be some confusion regarding the precise meaning of the terms "legislation" and "binding legislative framework". Only two bodies (DTCD and ECLAC) indicate using the latter term in reference to BAPA. One agency (ITU) questions whether BAPA should be considered to be "binding", and although reporting the resolution of its Plenipotentiary Conference referred to above, states that "no specific legislative measures have been enacted".

8. In spite of these questions of definition and terminology, it is clear that all reporting organizations continue to accept BAPA as the basic framework within which TCDC is to be promoted and supported. The information provided by UNDS for the present report appears to indicate that apart from a few new resolutions enacted by several organizations, the status of implementation of the recommendation has not changed significantly during the past two years, and is, in fact, basically at the same level as when the JIU report was formulated, at which time a large number of resolutions and other decisions concerning TCDC were already in effect. (See paras. 12 and 13 of the JIU report. 1/) The conclusion would seem to be that UNDS agencies and organizations consider that existing mandates and legislation are basically adequate. In confirmation of this view is the fact that no organization has cited lack of legislation among the difficulties impeding more widespread application of TCDC modalities.

Recommendations 1 (b) and (c)

9. Five organizations have commented on the relationship between TCDC and ECDC as it affects their legislative and reporting procedures. These are ECLAC, FAO, ITU, UNCTAD and UNIDO. The reason for the somewhat limited response appears to be the fact that ECDC may not have yet figured significantly in the activities of some of the smaller agencies. From the information provided, it is evident again that the situation regarding implementation of recommendations 1 (b) and (c) as they relate to ECDC and TCDC does not appear to have changed since the report was submitted to the High-level Committee at its sixth session, at which time it was reported that agencies maintain different approaches to this question. Specific comments of the five organizations referred to above can be briefly summarized as follows.

10. ECLAC reports that TCDC is a separate agenda item in the legislative body of the Commission through its sessional committee on cooperation among developing countries and regions. In turn, the ECLAC secretariat reports to this Committee on the progress made in implementing the BAPA in the corresponding biennium.

11. FAO reports that separate reporting and accountability have been achieved to a large extent, but finds some grey areas that complicate the process since a single activity may promote both ECDC and TCDC simultaneously. UNCTAD states that while ECDC and TCDC have not been addressed in the same legislation, the organization sees no reason why they should not be since the two activities are often complementary.

12. Within UNCTAD reporting on ECDC is handled separately. TCDC is not considered as a separate agenda item and is discussed in the Working Party on Planning. ITU has stated that the organization does not mix up ECDC and TCDC without commenting further on the recommendation.

13. UNIDO reports that legislation normally takes the form of resolutions and decisions under the heading of ECDC, which under the Caracas Programme of Action is deemed to include TCDC. The most recent decision of UNIDO's Industrial Development Board (IDB, 6 Dec/11) finally brings the two together as "virtually a joint entity", and ECDC and TCDC are not reported on separately. The basis of this arrangement appears to be UNIDO's conviction that in so far as industrial development assistance to developing countries is concerned ECDC and TCDC are so closely interconnected that separate legislative and reporting procedures would not be meaningful.

14. Recommendation 2

> "In their support to TCDC activities, the UNDS organizations should observe the following main characteristics and definition of TCDC projects:
>
> "(a) Agreement between two or more developing country Governments participating in a TCDC activity. The terms of this agreement should be

reflected in project documents. Specific TCDC techniques and mechanisms should be apparent.

"(b) Government execution arrangements with active UNDS participation in project initiation. The role of UNDS should be limited to the identification of TCDC solutions, bringing parties together and, at Governments' request, giving technical support to project elements not available under TCDC arrangements.

"(c) The financial support of UNDS should be limited to financing foreign exchange component(s) like travel expenses outside the host country and the cost of foreign equipment and supplies in accordance with UNDP rules."

Response of the organizations

Recommendation 2 (a)

15. As reported at the sixth session of the High-level Committee, there is general agreement that this recommendation has helped to clarify the concept of TCDC and sets out clearly the main elements that distinguish a TCDC modality from a traditional technical cooperation activity. Agencies generally strive to adhere to the concept and provisions of the recommendation in practice, but must sometimes do so with flexibility, particularly in the case of LDCs and others which may need additional support, particularly for local costs. Several organizations have also mentioned that the Training Manual published by UNDP's Special Unit for TCDC has helped to clarify the TCDC concept, and that there is less confusion on the subject than formerly, although it has not been entirely eliminated.

Recommendation 2 (b)

16. At the same time, in practice at the field level, it is noted that TCDC and traditional "North-South" cooperation as well as "South-South" cooperation are highly complementary and often merge together, making it difficult to assign a separate TCDC label to a given project component. UNESCO, along with some other agencies has stressed this point, and cautioned that the concept of TCDC should not be overdrawn as if it were an entirely unique phenomenon recently discovered, or a modality that is in competition with other approaches to technical cooperation.

Recommendation 2 (c)

17. UNCTAD also reports that it does not make a clear distinction between the TCDC modality and other related activities which aim at sharing experience and technical capacities between developing countries as long as the ultimate purpose is close cooperation among developing countries.

18. Recommendation 3

"(a) The Administrator of UNDP should review the staffing level of the Special Unit for TCDC in the light of current responsibilities as well as any new functions which might arise as a result of recommendation 4 of this report.

"(b) Other organizations which have not yet done so, should, within the limits of their existing resources, establish or strengthen their TCDC focal points by designating for this purpose a full-time post(s), with clear authority to disseminate the TCDC principle throughout the organizations' programmes and assist Governments in ensuring that the principle is translated into concrete TCDC projects. The smaller organizations may entrust TCDC focal point functions on a part-time basis -preferably to the heads of units responsible for technical cooperation. Programmers and field officers should be instructed to monitor and report regularly via the focal point to the executive head."

Response of the organizations

Recommendation 3 (a)

19. The Administrator has reviewed the staffing level of the Special Unit for TCDC in the light of its current responsibilities and his position on this is before the High-level Committee at its present session. 2/

Recommendation 3 (b)

20. All the organizations that have provided information for this report state that they have established some kind of TCDC focal point, and from the information available from other sources, it is known that virtually all agencies and organizations of the UNDS have also done so. These focal points are invariably located in a major unit of the organization having important responsibility for technical cooperation activities, as recommended. The broad functions of the focal points are to infuse the concept and practice of TCDC throughout the organization's technical cooperation programmes and report on TCDC activities.

21. Few organizations, however, appear to have established full-time TCDC focal point positions. The unit designated as the focal point generally has responsibilities relating to other technical cooperation activities as well, and staff appear in most cases to share these with specific TCDC responsibilities. However, replies on this matter were not sufficiently detailed to form a definitive judgement on this point. One of the best developed focal points is reported to be that of FAO, which has established two Professional posts whose incumbents deal primarily, if not exclusively, with TCDC, and are linked closely with the focal points located in the technical and operational divisions of FAO's field offices. In DTCD the focal point responsibility is under the authority of the Director of the Policy,

Programming and Development Planning Division. An officer in the Division's Country Programming and Evaluation Branch has been assigned responsibility for TCDC. In keeping with its position on ECDC/TCDC linkages, UNIDO has established a joint focal point for both activities with eight full-time and one half-time posts. A review is pending with a view to giving the focal point clearer authority. ECLAC reports that the TCDC focal point is one full-time position at level P-5 in the Commission's Division of Operations.

22. Recommendation 4

"(a) Country programming:

"(i) In the course of country programming exercises, UNDP should examine with Governments the desirability of identifying development sectors, the sub-sectors and projects, including project components (e.g., human resources development, appropriate technology, rural development, etc.) which may be more suitable for the TCDC modality and/or other innovative and less costly methods of technical cooperation delivery. Locally available capacities and TCDC potential should be indicated in country programme documents.

"(ii) At the project formulation stage, project requirements should be matched against TCDC capacities. Governments should be informed that the commitment of country IPF resources will be approved only after the Administrator is satisfied that TCDC or another less costly modality of project implementation has been explored.

"(iii) The principle of continuous programming should be used for a fresh scrutiny of ongoing projects in order to find out whether some of these or parts thereof might not be more economically executed under the TCDC modality.

"(b) Regional programming:

"(i) The regional programming meetings organized by UNDP should henceforth include a detailed examination of TCDC opportunities. As in the case of country projects, the Administrator should be satisfied that TCDC possibilities have been explored prior to the approval of regional projects. This should involve active preparatory work and the participation of the Special Unit for TCDC at the meetings.

"(ii) United Nations system support to subregional and regional institutions should henceforth be oriented towards their transformation into effective instruments of TCDC along the following lines:

"- existing and new institutions should come under full government management;

"- United Nations support should be provided using the TCDC modality as defined in recommendation 2 of this report, and should concentrate on building technical and project-executing capacities as far as possible;

"- the institutions should increasingly be used as executing agents of intercountry activities falling within their area of competence, either directly or through subcontract arrangements with United Nations system organizations.

"(c) Interregional and global programming:

"(i) Based on positive experience with the interregional project, 'Promotion of Action-oriented TCDC Activities', this project should be made a continuing programming component of UNDP.

"(ii) Training of government operational staff on the processing and implementation of TCDC projects similar to the Associate Expert Scheme of UNDP, should be developed. An umbrella TCDC project to that effect could be the most appropriate solution.

"(iii) Both of these should be entrusted to the Special Unit for TCDC and should be financed from interregional and global IPF resources."

Response of the organizations

Recommendation 4 (a)

23. All organizations which have commented on recommendation 4 (a) (iii) state that they assess the feasibility of incorporating TCDC modalities into projects at the design stage to the extent possible. ECLAC reports that this is now standard procedure with respect to each stage in the project cycle, which includes the idea, design, implementation and evaluation phases. The Commission states that its experience has been positive. FAO, ITU, UNCHS, ITC, DTCD, UNESCO and UPU report a similar approach.

24. The Governing Council of UNDP has mandated TCDC as one of the six themes to be prioritized in UNDP's support to national capacity-building and strengthening endeavours in the fifth programme cycle. This recommendation complements, in considerable measure, the strategy being developed to mainstream TCDC in the programming process for the fifth cycle and would be taken into account in building that strategy, and the attendant procedures, bearing in mind the prerogative of Governments of developing countries ultimately to determine their own national priorities and project execution methodologies best suited to their needs.

25. It is less clear to what extent organizations make use of "continuous programming", as defined in the recommendation, namely, fresh scrutiny of ongoing projects. FAO states that this is done whenever feasible. ITU states that all existing projects to be extended into UNDP's fifth programming cycle will be so scrutinized, and cites several specific projects as examples. Other organizations have not addressed the issue. From the comments received, it is apparent that organizations attach chief importance to the identification of potential TCDC modalities at an early stage in the formulation of projects.

Recommendation 4 (b)

26. Under the strategy for the fifth cycle, renewed emphasis would be given to the consideration of TCDC opportunities in regional programmes. The Special Unit for TCDC is increasingly being invited to participate in regional programming meetings and to advise on the use of TCDC modalities in regional programmes. This trend is expected to intensify in the time ahead. Under UNDP's regional programmes, a number of subregional and regional institutions are being supported with the intention of enabling them to develop self-reliance. This should help to transform them into effective instruments of TCDC. However, the ability of some of these institutions to maintain their effectiveness remains somewhat fragile and highly dependent on the willingness of the cooperating Governments, to assume full managerial and financial responsibilities, on a continuing basis, as UNDP's support phases out.

27. Information regarding the implementation of recommendation 4 (b) (ii) is somewhat incomplete as few organizations have commented on these points. FAO states that increasing use is being made of regional bodies as executing agency, and cites the Southeast Asian Fisheries Development Center (SEAFDEC) as an example. DTCD notes that modalities of project execution rest with Governments rather than agencies.

28. ITU reports that it is following the recommendation in numerous instances. Examples cited include the Kinshasa-based Pan African Telecommunication Union which has been implementing certain elements of major ITU projects, and several other regional organizations in Africa and Latin America. ITU also notes that decentralization of project implementation to regional and subregional organizations erodes the resources of small agencies which are largely dependent on support costs for their technical cooperation programmes.

Recommendation 4 (c)

29. The project INT/83/904 - Promotion of action-oriented TCDC activities - has been continued for well over seven years and in that period it has supported a substantial number of TCDC promotional activities of developing countries. It has been succeeded by project INT/90/901 - Support for the promotion of TCDC - which, as the title implies, is continuing support to TCDC promotional activities of developing countries, with several new dimensions developed as a result of constructive experiences gained in the implementation

of the former project. Training of government officials, recommended in the JIU report, continues to be an important component of this new project. These projects are being financed from SPR rather than the interregional and global IPFs, as recommended in the JIU report, as the Governing Council's allocation from SPR for TCDC for the fourth cycle has made this possible.

30. Recommendation 5

"(a) All organizations of UNDS with the exception of UNDP should earmark no less than 10 per cent of their technical cooperation resources for TCDC activities, and additionally establish TCDC trust funds when appropriate. Support to TCDC should be explicitly emphasized in medium-term plans and should be introduced in programme budgets as a separate subprogramme of technical cooperation.

"(b) The Governing Council of UNDP should review its decision on the 10 per cent limit on country IPF for TCDC with a view to its elimination and the relaxation of existing policies on the reimbursement of national expenditure for TCDC operational projects.

"(c) The developing countries should, in keeping with their regional priorities, consider earmarking a reasonable percentage of the regional IPF for the financing of regional TCDC projects.

"(d) The Governing Council should consider allocating a sizeable percentage of interregional and global IPFs for TCDC projects."

Response of the organizations

Recommendation 5 (a)

31. Of all the recommendations contained in the JIU report, this one appears to have been met with the least degree of compliance. A sizeable group of the organization have pointed out that either they are not funding agencies, or are totally dependent on unpredictable extrabudgetary resources for the promotion and support of TCDC, and therefore not in a position to implement the recommendations. This group includes some of the smaller, technical agencies, including ICAO, IMO and UNCHS.

32. Among the large organizations - while some report including TCDC as a separate item in their medium-term plans - there is virtually no indication of support for the concept of a separate subprogramme or budget provision for TCDC, on the grounds that such a practice would tend as FAO has phrased it, "to compartmentalize TCDC as a separate entity rather than encourage its promotion in all sectors of the organizations". The same view has been expressed in various ways by DTCD and UNESCO, as well as UNIDO, which links ECDC and TCDC as explained above and considers that together they are a common element in the five priority areas of industrial development on which the organization is concentrating.

33. With respect to the recommendation that organizations earmark no less than 10 per cent of their technical cooperation resources for TCDC, the reactions largely are that this would be inadvisable. UNESCO considers that such an earmarking is "too simplistic" and would tend to undermine occasions when a higher ratio should prevail. ECLAC considers such an earmarking to be unrealistic "considering the stance of its member countries on budgetary matters". FAO states that "the nature of TCDC projects precludes prior earmarking of TCDC funds". UPU provides for no fixed percentage of resources for TCDC.

34. Only UNCTAD reports that it has established several trust funds to receive contributions from developing countries for specific technical cooperation activities of benefit to other developing countries. Several agencies have stated that they do not consider such funds appropriate or useful for the purpose of promoting TCDC; and for the idea to gain acceptance, much stronger promotional activities would be needed.

35. In spite of the views just summarized, several agencies report that in fact their actual support of TCDC equals or exceeds 10 per cent. For example, ITU reports that allocations have risen from 0.3 per cent to close to 10 per cent between 1982 and 1988 and will reach at least 10 per cent by 1992. DTCD states that over the years the Department has utilized over 10 per cent of its regular programme resources for TCDC, and ECLAC estimates that it provides considerably more than 10 per cent in real terms per year. UNIDO reports allocating 10 per cent of its regular programme resources and 15 per cent of its Industrial Development Fund for ECDC/TCDC together. The conclusion appears to be that although separate earmarking of funds and budgetary provisions for TCDC are generally considered to be inadvisable, organizations nevertheless try to comply with the basic objective and spirit of the recommendation, which is to increase, over time, the amount of agency resources allocated for the support of TCDC.

Recommendation 5 (b)

36. In framing this recommendation, perhaps the fact was overlooked that under the current procedures governing national execution every developing country remains at liberty to use, if it so chooses, up to 100 per cent of its country IPF on TCDC activities benefiting itself. The limit of 10 per cent, or $7.5 million, whichever is smaller, applies only to IPF expenditures benefiting other countries. In practice, this limit has posed no problem as no developing country has yet reached this level of expenditure of its IPF in financing its TCDC support to other developing countries.

Recommendation 5 (c)

37. It is to be noted that this recommendation is addressed to Governments of developing countries. In so far as the Administrator is concerned, a conscious effort is continuing to be made to utilize TCDC modalities in the implementation of regional IPF-funded projects. In accordance with the progress report 3/ submitted to the Committee at its sixth session, 37.1 per cent of expenditures under regional IPFs in the 1987-1988 period had

been on TCDC activities. In another report 4/ before the Committee at its present session the expenditure under regional IPFs in the 1989-1990 period for TCDC activities had reached 29.8 per cent.

Recommendation 5 (d)

38. It may be noted that this recommendation is addressed to the Governing Council. The Administrator, however, reported to the Committee at its sixth session 5/ that in the 1987-1988 biennium 25 per cent of expenditure under interregional and global IPFs had been made on TCDC activities. In the fifth cycle the trend to explore the possibilities of identifying developing country institutions with the capacity to execute projects or components of projects financed from the interregional and global IPFs will be continued.

Conclusions

39. When the latest information provided by organizations on the implementation of the JIU recommendations is compared with the situation as described in the report submitted to the High-level Committee at its sixth session, it is evident that little has changed during the past biennium.

40. BAPA is considered to be the basic framework for activities in support of TCDC and is still considered relevant. The recommendations of the JIU are being implemented selectively and in varying degrees by the different organizations, in accordance with their own mandates and programming and budgetary procedures. This situation appears now to be largely stabilized, and there are no indications in the reports submitted that would suggest that any dramatic changes can be expected in the next few years.

41. Despite the uneven implementation of the JIU recommendations, organizations appear to take TCDC seriously, although not on the scale that Governments would prefer. In this connection, the attention of the High-level Committee is drawn to the report on progress made during the past biennium in implementing the TCDC tasks entrusted to the UNDS by BAPA. 6/

Notes

1/ JIU/REP/85/3, issued in May 1985 (see A/40/656).

2/ TCDC/7/8.

3/ TCDC/2/2/Add.3.

4/ TCDC/7/2/Add.__.

5/ TCDC/6/2/Add.1.

6/ TCDC/7/2.

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MEASURES TO FACILITATE TCDC - STAFFING OF THE SPECIAL UNIT FOR TECHNICAL COOPERATION AMONG DEVELOPING COUNTRIES

Report of the Administrator

1. In its decision 6/8 the High-level Committee emphasized the need to staff the Special Unit for TCDC to meet fully its responsibilities under its mandate, and urged the Governing Council of UNDP to consider greater financial and personnel support to the Special Unit for TCDC.

2. Responding to this and earlier decisions of the High-level Committee, and of the Governing Council, on this subject, the Administrator has endeavoured to maintain the staffing of the Special Unit at approximately the level he proposed in his report to the Committee at its sixth session. 1/ Thus, in the 1990-1991 biennium the Special Unit's staffing has included seven established Professional and higher-level posts, and eight General Service posts. In addition, two temporary Professional and two General Service level posts have been provided under Special Programme Resources funding.

3. The Administrator's budgetary proposals are the result of his overall assessment of the financial and budgetary situation of UNDP. In this connection, the Administrator is proposing a reduction in the overall number of Headquarters core posts, including a reduction of one Professional and one General Service post in the Special Unit for TCDC. This reduction is in line with that being made to all Headquarters bureaux and units totalling 96 posts. The reductions have been implemented on the basis of management initiatives to rationalize, simplify, restructure and decentralize.

1/ TCDC/6/8, paras. 4 and 5.

4. This being said, the Administrator fully recognizes the importance attached by the Council to technical cooperation among developing countries. In this connection, he is proposing to highlight the significance of TCDC by funding it together with the other priority themes identified in decision 90/34 from a specially identified appropriation line within the budget. He proposes to use this opportunity to regularize the two Professional and the two General Service posts previously funded from SPR project resources by financing them from the budget.

5. In summary, the impact of the Administrator's proposals on TCDC's budgetary staffing is that it will increase from seven Professional and eight General Service posts to eight Professional and nine General Service posts. The Administrator is confident that his proposals overall will enable the Special Unit to discharge its functions effectively and in full accordance with the mandate given to it.

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REPORT OF THE MEETING OF GOVERNMENTS OF DEVELOPING COUNTRIES AND EXECUTING AGENCIES OF THE UNITED NATIONS DEVELOPMENT SYSTEM ON TECHNICAL COOPERATION AMONG DEVELOPING COUNTRIES

Note by the Administrator

Pursuant to decisions 5/7 and 6/3 of the High-level Committee on the Review of Technical Cooperation among Developing Countries, the Administrator of the United Nations Development Programme hereby makes available to the High-level Committee, the report of the Meeting of Governments of Developing Countries and Executing Agencies of the United Nations Development System on Technical Cooperation among Developing Countries (TCDC/WP/1991/L.2) which was convened in New York on 23 and 24 May 1991.

The meeting was attended by representatives of the Governments of 41 developing countries and of 22 organizations of the United Nations development system. It undertook an assessment and appraisal of the activities of the organizations in technical cooperation among developing countries since the adoption of the Buenos Aires Plan of Action for Promoting and Implementing Technical Cooperation among Developing Countries in 1978 and discussed the constraints being encountered in that regard.

The Committee's attention is drawn to paragraph 12 (a) through (e) of the report, which contains the meeting's recommendations.

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VIEWS OF THE ORGANIZATIONS OF THE UNITED NATIONS DEVELOPMENT SYSTEM ON THE REPORT OF THE GROUP OF GOVERNMENTAL EXPERTS ON THE RULES, REGULATIONS AND PROCEDURES OF THE ORGANIZATIONS OF THE UNITED NATIONS DEVELOPMENT SYSTEM CONCERNING TCDC

Report by the Administrator of UNDP

SUMMARY

In its decision 90/43, the Governing Council of the United Nations Development Programme requested comments from the organizations of the United Nations development system on the report of the Group of Governmental Experts on the rules, regulations, and procedures of the organizations concerning TCDC. The report had been submitted to the Governing Council at its thirty-seventh session in response to decision 6/3 of the High-level Committee.

The comments which are summarized in the present report address the recommendations made by the expert group for action by the organizations aimed at the promotion of awareness of TCDC, increasing financing for TCDC, revisions in their internal policies and procedures concerning TCDC, and the expansion of data and information on developing countries' capacities.

The Committee's attention is drawn to section C below, which contains the Administrator's conclusions.

INTRODUCTION

1. The High-level Committee in its decision 6/3, paragraph 15, requested the Administrator to organize

> "a meeting of technical co-operation experts of interested countries in order to identify clearly the impediments to technical co-operation among developing countries and changes to be introduced, so as to enable the incorporation of technical co-operation among developing countries into all programmes and projects financed by the United Nations system, and to recommend, as far as possible, revisions of the existing rules, regulations and procedures necessary for the purpose by the relevant governing bodies of the technical co-operation agencies of the United Nations system".

2. The group of 13 governmental experts, drawn from both developed and developing countries, in consultation with the geographic regional groups at the United Nations in New York, held their meeting in New York from 9 to 20 April 1990 (annex I below contains the list of experts). Their report (DP/1990/77) was submitted to the Governing Council of UNDP at its thirty-seventh session as requested by the High-level Committee in paragraph 16 of its decision 6/3. In its decision 90/43, the Governing Council took note of the report and invited the organizations of the United Nations development system to express their views on the findings and recommendations of the report and to submit them to the High-level Committee for consideration at its seventh session. It further decided to review the report at its thirty-eighth session in the light of the views of the organizations, and of the High-level Committee. The comments, which follow, address the specific recommendations made by the Group of Governmental Experts for action by the organizations, and include reactions of the organizations to these recommendations. Of the organizations invited to comment, 21 provided their submissions as of 2 February 1991. 1/ The comments of the organizations appear in full in addendum 1 to the present report. UNDP's reactions are comprehensively contained in this report. This report is divided into three sections: (a) general reactions; (b) views on specific recommendations in the report of the Group of Experts; (c) conclusions and recommendations.

A. GENERAL REACTIONS

3. Most organizations have indicated their general endorsement of the main findings and recommendations of the report. Several of them also viewed the report as a valuable assessment of current constraints to the widespread use of TCDC. Several agencies made additional observations and these views are also reflected in this document.

4. Some organizations stressed that TCDC should not be seen in a vacuum. For instance, the United Nations Centre on Transnational Corporations (UNCTC) pointed out that greater economic cooperation among developing countries will

make possible a greater scope for technical cooperation. UNCTC further observed that certain development banks and financial agencies thus far had placed insufficient emphasis on TCDC. Habitat voiced the view that TCDC has to be flexible enough to respond readily to specialized needs of Governments.

5. The reactions of the organizations to recommendations 52 to 70 of the report of the Group of Governmental Experts, which call for actions by the organizations, are briefly discussed below.

B. ACTION BY THE UNITED NATIONS DEVELOPMENT SYSTEM

1. Promotion of awareness and improvement of information on TCDC

Experts' recommendation 53

> "The staff of UNDP and other relevant organizations of the United Nations development system should be given adequate training in TCDC concepts and methods."

Comments by organizations

6. UNDP is in the process of developing staff training programmes in TCDC concepts and procedures. ILO has suggested that training and orientation workshops on TCDC be organized within agencies to achieve a greater understanding and will discuss with UNDP arrangements to implement training. FAO has reported undertaking many activities to promote awareness of TCDC and has plans for seminars for headquarters staff and regular briefings for focal points and field office staff. UNIDO regards adequate training of United Nations officials as a key to alleviating attitudinal barriers to the use of TCDC and integrating TCDC in regular programmes and activities. UNITAR has made a number of training proposals including the practical suggestion to introduce the TCDC concept into such existing training activities as the Programme on Management of Field Coordination for Senior United Nations System Representatives. According to the World Food Council, priority should be given to the need "to adequately demonstrate the unique features of cost effectiveness and sustainability of TCDC operations".

7. A number of United Nations agencies also recognize the need to develop networks of information related to their areas of expertise. WHO and DTCD report having begun the process of establishing such information networks. UNIDO endorses the publication by the Special Unit for TCDC of a planners' handbook as well as a brochure on TCDC for more general use. FAO is preparing a handbook on TCDC and regularly publishes a TCDC newsletter.

Experts' recommendation 54

> "Field offices of UNDP should upgrade their competence and capacity in effectively deploying TCDC in country programming, by making it a

priority responsibility of resident representatives to improve information flows to Governments of developing countries on the potential for TCDC, and to train national focal points on TCDC matters."

Comments by organizations

8. With its planned training programme, UNDP will focus on upgrading the competence and capacity of field offices and the training of national TCDC focal points. (See also reply to recommendation 53, as well as replies to recommendations 69 on project cycle and 58 on focal points.)

Experts' recommendation 55

"Organizations of the United Nations system should facilitate the fielding by developing countries of technical missions to other developing countries as an important instrument for expanding the scope of TCDC. Whenever project formulation activity commences with a preparatory mission, should the Government so require, arrangements should be made to include developing country experts in such missions so as to facilitate the consideration of TCDC approaches for the implementation of the project."

Comments by organizations

9. Few agency replies have discussed technical missions. Both FAO and the United Nations Volunteers programme have pointed out that, since a majority of their experts are from developing countries, the TCDC context is given attention and use of TCDC options at the project formulation stage is encouraged. As part of the mainstreaming of TCDC into the country programming process, UNDP will place greater emphasis on fielding technical missions from institutions of developing countries. However, UNDP's considerable experience in engaging individual experts from developing countries has not necessarily by itself expanded TCDC. (See also commments on recommendations 63 to 65 on policies and procedures.) Several organizations have also indicated that they are examining their policies and procedures in this regard.

Experts' recommendation 56

"UNDP should undertake the publication of information on capacities and needs of developing countries for TCDC by country and by sector in order to assist developing countries in identifying opportunities for TCDC through regular UNDP public information publications."

Comments by organizations

10. UNDP is considering including such information in its regular public information publications, in addition to the TCDC newsletter started in 1991.

Experts' recommendation 57

"In addition to the Planner's Handbook on TCDC currently under preparation, the Special Unit for TCDC of UNDP should also produce a brochure in the appropriate languages for widespread dissemination of the concept, potential and usefulness of TCDC, stressing the opportunities for cost savings and for optimizing the use of IPF resources."

Comments by organizations

11. UNDP is planning the publication of such a brochure.

2. Focal points

Experts' recommendation 58

"UNDP should assist Governments of developing countries upon request in the establishment or strengthening of national focal points for TCDC. UNDP should give special recognition to the particular needs of those countries, whose economic circumstances and institutional weakness would make it difficult to give necessary priority to TCDC. UNDP should provide, where necessary, human and financial resources to these countries to ensure their effective participation in TCDC activities."

Comments by organizations

12. UNDP will continue to assist Governments of developing countries at their request, in setting up or strengthening their national TCDC focal point mechanisms, including training of national officials in TCDC concepts and methods, and the installation of decentralized INRES-South facilities in those countries.

Experts' recommendation 59

"Organizations of the United Nations development system should set up or strengthen, as appropriate, their focal points for TCDC."

Comments by organizations

13. Most organizations have reported having established or designated their TCDC focal points. FAO, for example, indicates that its focal point briefs all outgoing programme officers and country representatives. IFAD has reported that it is setting up a focal point, in response to this recommendation. The status of the strengthening of UNDP's Special Unit for TCDC is provided in another report before the Committee. (TCDC/7/8, Measures to facilitate TCDC - staffing of the Special Unit for TCDC). The focal points of the organizations are listed in the UNDP Directory of Focal Points issued by the Special Unit for TCDC, which is updated periodically.

Experts' recommendation 60

"Organizations of the United Nations system should co-operate with Governments' efforts to increase substantially UNDP expenditures for TCDC modalities in regional, interregional and global projects of the fifth programming cycle."

Comments by organizations

14. UNDP has reported that during the 1987-1988 biennium, 37.1 per cent of the regional IPFs and 25 per cent of the interregional and global IPFs supported TCDC activities. This trend is expected to continue during the fifth cycle especially as programmes increasingly take into account Governing Council decision 90/34, which specifies TCDC as one of six areas of focus for UNDP programmes. UNIDO observed that TCDC financing is the primary responsibility of the developing countries and that while IPFs could be used for foreign exchange costs, local financing for in-country costs should be used to the maximum extent possible and that private sector participation should be encouraged.

15. Several agencies offered the following views on financing. United Nations development system-financed programmes are usually a small part of the total development activity of a country. Thus, Governments, in their search for TCDC funding, should also look outside the United Nations system, with increasing attention to the private sector, development banks, and other intergovernmental and non-governmental organizations. New ideas, such as triangular arrangements (two cooperating Governments and one bilateral financing institution) should be tested. It is also suggested that special budgetary provisions for TCDC such as a national fund should be established by the Government, to facilitate the financing of TCDC activities by sectoral ministries and other entities in the country.

Experts' recommendation 61

"The Special Unit for TCDC of UNDP should continue to compile and disseminate information on all available sources of financing for TCDC."

Comments by organizations

16. UNDP supports the idea of regularly updating data on financing TCDC, and will continue the process of updating the Directory on Potential Resources for Financing TCDC Activities, issued by the Special Unit for TCDC.

Experts' recommendation 62

"UNDP and other organizations of the United Nations development system should continue to simplify, where appropriate, its financial procedures governing TCDC projects."

Comments by organizations

17. Most organizations report that they have taken note of this recommendation and are conscious of the need to revise financial procedures concerning TCDC. Some agencies indicated that they are awaiting UNDP's lead in this direction. While UNDP has endeavoured to streamline its financial procedures governing TCDC projects in the past few years, it is discussing with the organizations the possibility of further improving procedures relating to the reporting of expenditures on TCDC project budgets. (See also response to recommendation 64.)

3. Policies and procedures in the organizations of the United Nations system

Experts' recommendation 63

> "Pursuant to recommendation 33 of the Buenos Aires Plan of Action for Promoting and Implementing Technical Co-operation among Developing Countries and decision 6/3 of the High-level Committee on the Review of Technical Co-operation among Developing Countries, UNDP should bring TCDC into the mainstream of its programme by placing the main responsibilities for application of TCDC modality in country programming on resident co-ordinators and revising its Programme and Projects Manual accordingly prior to the initiation of the fifth programming cycle."

Comments by organizations

18. The Governing Council has placed increased emphasis on TCDC as one of the six main focus areas for the fifth cycle. In line with this, the mainstreaming of TCDC is being addressed in the programming of UNDP core assistance in the fifth cycle particularly. The country programming process will increasingly become the frame of reference within which TCDC activities can be initiated.

Experts' recommendation 64

> "The programme and projects manuals or equivalent documents of every organization should be systematically reviewed and suitably amended, where necessary, to include consideration of TCDC alternatives in the process of identification, formulation, appraisal and approval of every development project supported by the organizations."

Comments by organizations

19. As mentioned, in response to the previous recommendation, in accordance with the new procedures being developed for mainstreaming the six areas of focus specified in decision 90/34 of the Governing Council (WID, UNV, etc.) including TCDC in the country programmes, the UNDP Policies and Procedures Manual will be revised in due course. A number of United Nations

organizations indicated that their policies and procedures for TCDC were under review, some of them dependent on UNDP's lead in this regard. The World Food Council advocated expanding the mandate of the Special Unit for TCDC, to help it to become a clearing-house for project ideas. The functions of the Special Unit, as mandated by the Buenos Aires Plan of Action, and endorsed by the General Assembly, accommodate this point of view.

Experts' recommendation 65

> "Pursuant to the provisions of paragraph 10 of General Assembly resolution 42/180 of 11 December 1987, the Resident Co-ordinator should carry the responsibility of assisting Governments with all necessary elements for their decision on the method of executing each UNDP-supported project concerning the total or partial use of TCDC modalities."

Comments by organizations

20. This recommendation will be implemented through various measures already described, bearing in mind that the ultimate decision for utilizing TCDC modalities rests with the Governments of developing countries themselves.

Experts' recommendation 66

> "Similar responsibility should be assigned to the field representatives of the specialized agencies in respect of projects being supported from non-UNDP sources of financing."

Comments by organizations

21. Many organizations have indicated that they have taken note of this recommendation and should be able to report the progress in its implementation at subsequent sessions of the Committee.

Experts' recommendation 67

> "The Special Unit for TCDC at UNDP headquarters and the TCDC focal points at headquarters of other organizations of the United Nations system should be fully associated with the processes of formulation of policies and appraisal and approval of projects."

Comments by organizations

22. UNDP has an Inter-Bureaux Standing Committee on TCDC, convened by the Director, Special Unit for TCDC, and attended by the deputy heads of bureaux and other offices. It reviews problems encountered in using TCDC modalities in the process of project formulation and implementation in the field.

23. The Special Unit for TCDC is increasingly and directly involved in the substantive programming processes at UNDP headquarters and is, for instance, participating in committees responsible for headquarters project appraisal and approval (Action Committee and Project Appraisal Committee). Consideration is being given to the proposal of involving the Special Unit in committees and task forces concerned with policy issues.

Experts' recommendation 68

> "The TCDC Information Referral System - INRES-South - should be extensively used by the resident representatives of UNDP and, whenever necessary, by the organizations of the United Nations development system in identifying suitable developing country institutions for obtaining project inputs at the project formulation stage. Detailed information on the institutions so identified should be promptly provided to the respective local authorities for the exercise of choice for selection. Where necessary, short exploratory missions to selected institutions should be fielded to enable the national authorities at both ends to review the project proposals and to discuss mutually agreeable terms for co-operation in the formulation and execution of the project. The competent United Nations organizations should facilitate these efforts whenever so required by national authorities."

Comments by organizations

24. INRES-South will be extensively used in the process of mainstreaming TCDC in the country programming process as described earlier. INRES-South is actively engaged in decentralizing its database through the establishment of locations in the field as well as at UNIDO and FAO, through training and information efforts including a newsletter and regularly published articles. (See also reply to recommendation 56).

Experts' recommendation 69

> "Organizations of the United Nations system, particularly specialized agencies, in compliance with the relevant decisions of their governing bodies in supporting and promoting TCDC, should exercise the following roles in formulating and implementing projects:
>
> "(a) Assistance to national authorities and to the resident representatives of UNDP in identifying suitable developing country institutions for obtaining project inputs in their respective fields of competence;
>
> "(b) Assistance in preparing TCDC project proposals and in drafting project documents;
>
> "(c) Assistance in implementing projects or those components of the projects for which suitable capacities in developing country institutions may have not been identified, upon request by national authorities;

"(d) Assistance in evaluating project implementation mid-stream during the life of the project, and project results upon completion of the projects;

"(e) Dissemination of information on project experience gained in developing countries through workshops, orientation seminars and publications;

"(f) Assistance to national authorities in identifying sources of financing for projects or for activities stemming from the implementation of projects."

Comments by organizations

25. (a) Several organizations have indicated that they are expanding and developing their information networks for this purpose.

(b) While UNDP will continue with efforts to promote TCDC at the project identification stage, it will also be beneficial to introduce this awareness at the programming level.

(c) Several organizations indicated that they have taken note of this recommendation.

(d) The same organizations indicated their preparedness to assist Governments in evaluating the implementation of their TCDC projects at their request.

(e) Most agencies indicated readiness to provide information to Governments on project experiences in developing countries.

(f) Some organizations indicated that efforts are being made in this regard. (See also comments on recommendation 56 on information and recommendations 60 and 61 on financing.)

Experts' recommendation 70

"The Special Unit for TCDC should continue to convene meetings of the TCDC focal points of the organizations on an annual basis, and preferably before the regular sessions of the Governing Council of UNDP."

Comments by organizations

26. The Special Unit for TCDC is continuing to convene annual meetings of TCDC focal points of United Nations organizations.

Experts' recommendation 52

"The definition and scope of TCDC should be reviewed and elucidated in a wider sense in the light of experience gained and the decisions

taken by the Governing Council of UNDP and the High-level Committee on the Review of Technical Co-operation among Developing Countries since the adoption in 1978 of the Buenos Aires Plan of Action for Promoting and Implementing Technical Co-operation among Developing Countries, taking into account the need to make a clear distinction between TCDC and the traditional mode of technical co-operation."

Comments by organizations

27. Organizations have generally shared the experts' view that there is a need to review and clarify the definition and scope of TCDC.

28. The United Nations Development Fund for Women calls for a more precise definition of content and operational terms. UNCTAD states that a fresh definition should not exclude the TCDC-linked work of international agencies.

C. CONCLUSIONS

29. In the light of his analysis of the organizations' submissions, the Administrator has reached the following conclusions:

(a) Since the adoption of the Buenos Aires Plan of Action, progress has been made in varying degrees by different organizations of the United Nations development system in promoting and integrating TCDC in their technical cooperation programmes and activities. On a system-wide basis, however, this has been accomplished at a slower pace because of attitudinal, procedural and, to some extent, financial constraints both in developing countries and in the United Nations development system itself.

(b) Several actions need to be taken to deal with the problem. These could include: enhancing awareness of TCDC in the organizations through information, orientation and training activities, strengthening of the organizations' focal points for TCDC; expansion of financing resources for TCDC; review and modification where necessary of the organizations' policies and procedures concerning TCDC; coordinated development of information systems on developing country capacities; and an overall effort to increasingly mainstream TCDC into the programme and project cycles.

(c) To facilitate these actions, the Administrator shares the view that the annual meetings of TCDC focal points of organizations of the United Nations development system should be incorporated into the established framework for inter-organizational coordination under the auspices of the Administrative Committee on Coordination (ACC), as recommended by the Second Meeting of Focal Points, held in New York in February 1988. In this connection, he believes that the following actions should be pursued.

(i) A special meeting of TCDC focal points of the organizations, to be convened by early 1992, should be devoted to the preparation of guidelines for the review of policies and procedures in the organizations concerning TCDC.

(ii) These guidelines should be considered by ACC for adoption and for subsequent implementation by the organizations.

(iii) ACC, through the meetings of TCDC focal points of the organizations, should monitor the implementation of the guidelines on a regular basis.

(iv) The Administrator would include in his biennial reports to the High-level Committee, information on any significant problems encountered in the process of implementation of the guidelines by the organizations.

Notes

1/ United Nations Department of Technical Cooperation for Development (DTCD), Economic Commission for Latin America and the Caribbean (ECLAC), Food and Agriculture Organization of the United Nations (FAO), International Atomic Energy Agency (IAEA), International Civil Aviation Organization (ICAO), International Fund for Agricultural Development (IFAD), International Labour Organisation (ILO), International Maritime Organization (IMO), United Nations Capital Development Fund (UNCDF), United Nations Centre on Human Settlements (Habitat), United Nations Conference on Trade and Development (UNCTAD), United Nations Centre on Transnational Corporations (UNCTC), United Nations Environment Programme (UNEP), United Nations Population Fund (UNFPA), Office of the United Nations High Commissioner for Refugees (UNHCR), United Nations Industrial Development Organization (UNIDO), United Nations Institute for Training and Research (UNITAR), World Food Council (WFC), World Health Organization (WHO), World Meteorological Organization (WMO).

Annex

LIST OF PARTICIPANTS IN THE MEETING OF THE GROUP OF GOVERNMENTAL EXPERTS ON THE RULES, REGULATIONS AND PROCEDURES OF THE ORGANIZATIONS OF THE UNITED NATIONS DEVELOPMENT SYSTEM CONCERNING TECHNICAL COOPERATION AMONG DEVELOPING COUNTRIES, HELD IN NEW YORK FROM 9 TO 20 APRIL 1990

Dr. O. Akin Adubifa
Chief Consultant and Consultancy Director
Nigerian Institute of Social and Economic Research (NISER)
Lagos, Nigeria

Mr. Antoni Czarkowski
Deputy Director
Department of International Organizations
Ministry of Foreign Affairs
Warsaw, Poland

Mrs. Maria Lucia de Oliveira
Coordinator of TCDC of the Brazilian Cooperation Agency
Ministry of Foreign Affairs
Brasilia - DF, Brazil

Mr. Demetrio Bueno Carvalho
Second Secretary of Embassy
Permanent Mission of Brazil to the United Ntions
New York
Adviser

Mr. Marian Dinu
First Secretary
Ministry of Foreign Affairs
Bucharest, Romania

Mr. Ahmed Djoghlaf
Counsellor
Permanent Mission of Algeria to the United Nations
New York

H.E. Dr. Charles Fleming
Ambassador Extraordinary and Plenipotentiary
Permanent Representative to the United Nations
Permanent Mission of Saint Lucia to the United Nations
New York

Mr. Ausbert d'Auvergne
Permanent Secretary
Ministry of Planning
Saint Lucia
Adviser

Mr. Jorge Garcia
Officer in Charge of TCDC
Cuban State Committee for Economic Collaboration
Havana, Cuba

Mrs. Lamis Hamoudi
Minister Plenipotentiary
Organization Department
Ministry of Foreign Affairs
Baghdad, Iraq

Mr. K. O. Kumi
Principal Secretary
Ministry of Foreign Affairs
Accra, Ghana

Mr. Eduardo Praselj
Chairman, Pérez-Guerrero Trust Fund
Manager, Project Analysis
Petroquímica de Venezuela, S.A.
Caracas, Venezuela

Mr. Miljenko Vukovic
Director of Department
Ministry of Foreign Affairs
Belgrade, Yugoslavia

Mr. Dieter Wilke
Department 210
Ministry of Economic Cooperation
Bonn, Germany

Mr. Hamed Zeghal
Director-General
Tunisian Agency for Technical Cooperation (ATCT)
Tunis, Tunisia

UNITED NATIONS

TCDC

Technical co-operation among developing countries

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VIEWS OF THE ORGANIZATIONS OF THE UNITED NATIONS DEVELOPMENT SYSTEM ON THE REPORT OF THE GROUP OF GOVERNMENTAL EXPERTS ON THE RULES, REGULATIONS AND PROCEDURES OF THE ORGANIZATIONS OF THE UNITED NATIONS DEVELOPMENT SYSTEM CONCERNING TCDC

Addendum

Views of organizations of the United Nations development system*

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1. United Nations Centre on Transnational Corporations (UNCTC)

The recommendations in the report (DP/1990/77) encompass actions to be taken by Governments and by United Nations organizations. While the recommendations for action at the government level are fine as far as they go, it should be pointed out that TCDC should not be seen in a vacuum. Developing countries also need to cooperate at the economic level; the greater the degree of such economic cooperation, the greater is likely to be the scope for technical cooperation. Such economic cooperation would take the form of greater investment, trade and financial cooperation among developing countries. Figures tend to show that the developing country share of such world activity is declining. Consequently, there is perhaps a need to exhort the developing countries to intensify the formation of multinational enterprises, the strengthening of regional integration movements and the effective circulation of funds between surplus and deficit countries. The report is silent in relation to these aspects and the connection between ECDC and TCDC.

With respect to action to be taken by United Nations organizations, a number of recommendations are laudatory, such as those relating to the role of focal points and of UNDP resident representatives, particularly with respect to the TCDC Information Referral System of identifying suitable developing country institutions for obtaining project inputs at the project formulation stage. However, the effects of TCDC are likely to be limited unless we take into account the role of all the important institutions, besides those of the United Nations inner core family. In this regard, certain trends and factors are discernible. First, the major international financial institutions, such as the World Bank, that play a critical role in establishing economic programmes in developing countries, have not placed much emphasis on TCDC. Indeed, the growing tendency of such institutions to provide technical assistance as well as development assistance has not been particularly conducive to the growth of TCDC. Secondly, bilateral assistance, from aid agencies in developed countries to tne developing world, has probably become more tied in terms of both source of equipment and source of consultancy firms. Thirdly, as a result of conscious strategic decision-making, the above-mentioned multilateral, regional and bilateral financial agencies have been working in tandem during the 1980s, thus giving national Governments little room for manoeuvre and limited scope for the organizing and incorporation of TCDC into their national planning activities, particularly given the emphasis on market forces and cost effectiveness. For effectiveness, therefore, the report of the Group of Experts should also be exhorting these institutions to give greater attention to TCDC goals and objectives. One related strategy implication is for UNDP to determine whether it wants to be part of that international policy-making nexus or whether it wants to maintain an independent policy-making role, closely linked to the aspirations of developing countries.

Finally, the report makes little distinction between the large agencies and the smaller agencies; the latter are without field representatives and, consequently, require special financial and organizational resources in order to make their TCDC efforts more effective.

2. United Nations Department for Technical Cooperation for Development (DTCD)

The following comments by the Department are provided in the order in which the report of the Group of Governmental Experts (DP/1990/77) deals with the subject.

Impediments to TCDC

Awareness and information

With the impetus gained by TCDC in recent years, awareness of its usefulness as a modality for technical cooperation has undoubtedly been significantly raised in Governments and in the organizations of the United Nations development system. However, since TCDC is fundamentally a developing country undertaking, more intense and greater expansion is required of the existing awareness in Governments' top and medium management levels at which TCDC is generally known in varying degrees, in order to reach all other actors - managerial/administrative and technical - across government line ministries and parastatal institutions involved in project identification, formulation, appraisal and implementation. As a result, decisions by Governments on the modality/modalities of technical cooperation to be used in projects of a given programme would be reached with fuller consciousness of what a TCDC option may offer and whether or not it would be instrumental in fulfilling all, part or none of the project's objectives and priorities. Furthermore, as UNDP and the organizations of the United Nations development system play an important and active role in providing, primarily, sectoral technical advice to the Governments of developing countries, their managerial and technical staff also need to be fully aware of and conscious of TCDC with a clear understanding of it, its worth and possible use.

Attitudes

Decision to use TCDC rests with Governments. Since project identification ought to follow closely the objectives and priorities of individual Governments, TCDC will be reflected only to the extent that Governments prefer to use it over other modes of technical cooperation. There is growing support by decision-making officials in the Governments of developing countries to favour the use of TCDC, but mostly on a limited basis to specific aspects of project activities rather than the entire project. A preference for traditional technical cooperation and the use of developed countries capacities, particularly in technology transfer, is still prevalent, as experienced by DTCD, especially in the field of natural resources.

However, DTCD has played and continues to play a special role in institution building in developing countries, as its record reflects, in order to strengthen and increase developing countries' capacities to plan, execute and manage development projects and programmes. Concurrently, a sustained policy of promoting and utilizing developing countries' capacities is observed in all operations experts/consultants, institutions for fellowships training, subcontracts and procurement of goods, as reported periodically to the United Nations governing bodies.

Focal points

DTCD concurs with the observations made by the Group on the cardinal significance of TCDC focal points in Governments and in the organizations of the United Nations development system. Location in their respective organizational set-up need to be fully supported with authority to carry over the tasks entrusted and with the necessary horizontal access and coordination across all substantive units to ensure effectiveness.

Financing

Primarily a developing country government responsibility, continues to affect TCDC in lack of financial resources. This is often a determinant at the decision-making level when deciding whether or not to use TCDC in a given programme and/or project, in full or in part, over other forms of technical cooperation. Likewise, if chosen favourably, financial constraints frequently affect TCDC during the implementation phase, thereby producing a discouraging effect on the advisability of its use as a practical modality. Undoubtedly, the organizations of the United Nations development system have the duty to collaborate financially with TCDC in a catalytic form in order to assist developing countries in their endeavours. In the case of DTCD, as a non-financial institution its only source from which to derive funds for TCDC use is the United Nations regular programme, with its known limited resources. Nevertheless, over the years the Department has devoted considerable efforts to TCDC promotional activities through workshops, seminars and training programmes which facilitate the exchange of experience and expertise among developing countries and has stimulated networking arrangements. The programme also covers the cost of pilot projects, which are designed to test the feasibility of new approaches in TCDC and which serve as demonstration or training centres for personnel from other developing countries.

As an additional means to assist TCDC financially and institutionally the Department has taken an active role in cooperating with UNDP and the Governments of the developing countries in the promotion of TCDC through the mechanism of the TCDC interregional and regional intergovernmental programming exercises, especially with new vigour since 1986. This has been done in various ways by providing to the exercises held in China in 1986, Turkey in 1987, Tunis in 1987, Egypt in 1988, and Indonesia in 1990 the following: (a) direct financial support; (b) headquarters staff resources (during the preparatory stage, including field missions to participating countries to

assist in project identification and matching of capacities and needs and also at the programming negotiations); (c) offering field experts resources to assist government institutions, as appropriate in the matching of capacities and needs with those of the host programming exercise Government; and (d) through limited provision of catalytic financial support during the implementation follow-up of projects agreed to at some of the programming exercises and for which requests have been received. In this connection the expected number of requests have remained well below the anticipated and provisionally earmarked funds.

Policies and procedures of the United Nations system

Regarding the procedures governing development cooperation, there is indeed a need for the inclusion of more specific and detailed guidelines on TCDC. With reference to the specific procedures governing the identification, formulation, appraisal, approval and implementation of all development projects (regardless of the sources of financing) DTCD in most cases responds to concrete requests made by interested Governments of developing countries and UNDP or UNFPA by providing the necessary technical advisory services. Formulation of projects is made in accordance with the established UNDP and UNFPA guidelines. In the case of projects financed from other sources, while UNDP guidelines and format are generally applied, some modifications may be introduced to meet other types of projects such as trust funds and United Nations regular programme financed projects. Appraisal is done by the Department on a sectoral basis by the offices concerned within the project's field of activity. Regarding project implementation, no specific written criteria or guidelines on the use of TCDC modalities (except to encourage the use of developing countries' capacities in field projects) have been issued by the Department on the formulation, appraisal and implementation of development projects. Nevertheless, DTCD can affirm that the programme managers, the technical and the interregional advisers are fully aware and mindful of TCDC as a modality to be used as appropriate and subject to the Government's wishes in projects falling under DTCD's responsibility.

Recommendations for action

A. Action at the governmental level

Promotion of awareness and improved dissemination of information on TCDC; positive attitude towards TCDC; and focal points

DTCD supports the recommendation of the Group that in order to promote and strengthen government awareness in the use of TCDC, more methodic orientation training is necessary for those involved in TCDC. Yet such training, to the extent possible, should also include those involved in development and technical cooperation activities in general because of their potential relationship with TCDC. Accordingly, training programmes on TCDC as an alternative, effective modality to foster self-reliance on the part of developing countries and as viable option for technical cooperation (including

the use of means of information and financing available to it) need to be provided to government officials from the developing countries who either are focal points for TCDC and/or are involved in managerial or technical functions of developmental nature. Although the TCDC Special Unit of UNDP is already carrying out such a programme, it is the opinion of DTCD that in view of the forthcoming fifth country programming cycle, more is rapidly required for all countries in that respect.

Besides the recommendations made by the Group on the dissemination of information on TCDC, Governments may wish to launch publicity programmes to also reach the private sector, the non-governmental organizations and the public at large for which their focal points should be used. In addition, national focal points should look after the dissemination of information on TCDC nature activities of their country to the government offices and to the United Nations development system. They should promote publicity campaigns through their country's media on successful TCDC activities and efforts.

National focal points should be placed at a central and overall development coordination location in their Government's structure, with sufficient authority to support their role and with adequate access to all line ministries and parastatal institutions. Focal points should be involved in the establishment and/or strengthening of the implementation follow-up mechanism of the host country and of the participating developing countries in TCDC programming exercises.

Financing

The forthcoming fifth country programming cycle affords the opportunity for all Governments of the developing countries to establish TCDC-IPF umbrella projects with the assistance of UNDP, in order to guarantee the allocation of IPF funds for TCDC activities besides other means of financing that they may obtain for that purpose, as contained in the resolutions of the United Nations legislative bodies.

B. Action by the United Nations system

Promotion of awareness and improvement of information on TCDC

Taking into account the ongoing preparations for the forthcoming fifth country programming cycle and the recent decision on TCDC by the UNDP Governing Council at its June 1990 session, every effort should be made to inject TCDC into every programme in support of the objectives of individual country programmes and by ensuring, to the extent possible, the incorporation of at least one specific activity to be conducted on a TCDC basis in the projects to be approved during the new cycle. Notwithstanding that depending on the very nature of the project it may not be possible to provide for a TCDC activity (e.g. the acquirement of high technology) if such practice is observed, it should directly contribute to promote a dynamic awareness of TCDC by all parties intervening in the programme processes.

UNDP field offices maintain an ongoing dialogue with Governments on their respective country's development requirements and the programmes needed to achieve their objectives. As a result it is of paramount importance that UNDP field and headquarters staff with managerial and programme implementation responsibilities be included in TCDC training seminars or workshops so as to fully familiarize them with the application of the modality. Similarly, headquarters and field managerial and technical staff in the organizations of the United Nations development system should be incorporated into TCDC training schemes, particularly because of their advisory and programme implementation roles. To that end, the ongoing TCDC training programme of the UNDP Special Unit for TCDC should organize TCDC orientation training seminars or workshops for the organizations of the United Nations development system. This will short-cut the time factor involved in accelerating the steps to bring all actors engaged or likely to be involved in development activities to a more common level of awareness and information on TCDC. As a result, consciousness and, therefore, attitudes should necessarily improve, thereby resulting in greater utilization of the modality.

Increased awareness of TCDC calls for improved information on TCDC readily available to the users. INRES-South data bank's usefulness as a central source of information on available developing countries' institutions and other capacities requires continued improvement. To maintain INRES effectiveness it is essential that while Governments should collaborate with its expansion through systematic updating of information on their respective countries, likewise the organizations of the United Nations development system should be requested periodically to provide INRES with their available sectoral information on institutional and other capacities in developing countries, since organizations in the United Nations development system are up to date on country information as a result of the constant exposure of their advisers to the field.

Financing

In addition to the recommendations made by the Group, DTCD is of the view that special attention has to be given to reduce the prolonged delays in the implementation follow-up phase of projects agreed to at the TCDC programming exercises. Such delays affect proper planning on the use and administration of funds by United Nations agencies which normally have them earmarked for the catalytic support expected. In the case of DTCD, as the funds are from the United Nations regular programme, the Department runs the risk of under-implementing them; of not devoting them to other activities in the context of its regular programme plan and/or as a consequence run the risk of not being able to have the funds for TCDC support available. While implementation of TCDC projects is primarily a government responsibility, UNDP and the organizations in the United Nations development system should be ready to assist Governments with advisory services to strengthen the implementation follow-up mechanism of the host country and of the participating developing countries in programming exercises in order to achieve the objectives of the projects.

Policies and procedures in the organizations of the United Nations system

DTCD takes particular note of the recommendations made by the Group and looks forward to the revision of the UNDP Programme and Projects Manual, on the basis of which the formulation of DTCD-executed projects is made. The DTCD Policies and Procedures Handbook and the DTCD Manual for Chief Technical Advisers recognize TCDC as one of the modalities to be used.

In addition to the documentation povided by DTCD for review by the Group of Experts, DTCD also wishes to note the adoption in 1990 of a set of Guidelines for Short-listing for Contracts and Procurement Service. For bidding purposes, the guidelines require of all DTCD Contract and Procurement Officers consideration of developing countries' capacities, along with the capacities of underutilized major donor countries and other countries, when selecting and proposing firms for consultancy services, as well as in the procurement of equipment and supplies for project operations. The purpose of the guidelines is, therefore, to ensure that developing countries' capacities are given an equitable and fair opportunity. During the years prior to the issuance of the guidelines, DTCD's record demonstrates that the Department has maintained the use of developing countries' capacities in experts, consultants, training institutions for fellowships and equipment by approximately one third of its activities, while making a special effort to increase their utilization.

3. United Nations Conference on Trade and Development (UNCTAD)

The report of the Group of Governmental Experts (DP/1990/77) contains a frank assessment, namely, "TCDC has been kept out or at best on the fringe of the mainstream activities of the United Nations system" (para. 31). UNCTAD would share this assessment, due in our view to a large extent to another finding of the report, which states that "some agencies within the United Nations system profess widely different understandings and interpretations of the concept of TCDC, which further complicate understanding of TCDC at the government level" (para. 12).

There is much ambiguity and imprecision as to what constitutes TCDC and to the types of assistance that properly qualify as TCDC. This also explains another finding of the report that there have been "repeated attempts to interpret the regular technical co-operation programmes as TCDC" (para. 28).

Thus, the Group rightly "addressed the interpretation and scope of TCDC" (para. 7) and "agreed that the interpretation of TCDC should be elucidated" (para. 8). UNCTAD would strongly recommend that this exercise be given highest priority, particularly because the "elucidation" offered by the Group of Experts (para. 8) would in our view be difficult to satisfy fully in operational and reporting terms.

1. The Group suggests that TCDC would appear to be confined to activities executed and managed "by institutions in developing countries" and therefore to exclude any project managed and executed by a United Nations organization.

2. Assuming identical outputs and inputs, this would appear to suggest that a given project executed by an international organization would not qualify whereas the same project executed by the beneficiary Government would qualify. This surely cannot be what the Group of Experts had in mind, since the critical issue is the content of project activities and not the modality of execution.

Any developmental activity executed and managed by institutions in developing countries utilizing "advice and financial support from external sources" would appear to work as TCDC to the extent that developing countries "share one another's experience and technical capacities". This would mean for instance that any government-executed UNDP project which realizes project personnel from a developing country - under standard contracts but possibly with secondment of an official under, say, leave without pay - would qualify as TCDC. Would this interpretation be correct?

In fact, the report of the Group of Experts itself clearly does not consider that its "elucidation" of the concept of TCDC is definitive since it recommends that "The definition and scope of TCDC should be reviewed and elucidated in a wider sense in the light of experience gained and the decisions taken by the Governing Council of UNDP and the High-level Committee on the Review of Technical Co-operation among Developing Countries since the adoption in 1978 of the Buenos Aires Plan of Action for Promoting and Implementing Technical Co-operation among Developing Countries, taking into account the need to make a clear distinction between TCDC and the traditional mode of technical co-operation" (para. 52).

Given these definitional difficulties, we have problems in reacting to the various suggestions set out in paragraphs 53 to 70 of the report. This is particularly the case in respect of paragraph 69, all of which in principle UNCTAD could act upon as long as the basis for such action is clear.

UNCTAD of course is fully committed to the implementation of the Buenos Aires Plan of Action, and of subsequent decisions by the High-level Committee and the General Assembly: much of our technical cooperation programme is directed towards promoting cooperation among developing countries, and to ensuring that the relevant experience and expertise of developing countries is drawn upon to the maximum possible in UNCTAD's operational activities. The latest such concern may be found in the Programme of Action for the Least Developed Countries for the 1990s adopted at the Second United Nations Conference on the Least Developed Countries, in which technical cooperation among developing countries is highly recommended as a mechanism to strengthen development efforts of the least developed countries.

4. United Nations Environment Programme (UNEP)

With regard to the report of the Group of Governmental Experts, the recommendations made for action by the United Nations system for promotion of TCDC are thoughtful. In UNDP's follow-up of the same in collaboration with the organizations and bodies of the United Nations system, it should be useful to keep in view the evolving perceptions and priorities in development, for example the emerging focus on poverty alleviation, environmental management and human development, and correspondingly, to activate and sustain avenues of TCDC based on varying levels of achievement in respect of these in different developing countries. In regard to environmental management for sustainable development, UNDP and UNEP should collaborate in establishing a database on successes of Governments or in the private sector in practically linking economic efficiency and environmental improvement or social development and environmental improvement to help Governments realize fully the inherent potential of TCDC that they represent.

5. United Nations Population Fund (UNFPA)

The following are the United Nations Population Fund's comments on the report of the Group of Experts.

1. On the promotion of awareness and improvement of information on TCDC, UNFPA had re-established in November 1990 our internal TCDC task force, composed of representatives from geographical, technical, finance and administration, and public information and external relations divisions. The purpose of the newly strengthened internal task force is to ensure that TCDC concerns are adequately reflected in country programme reviews and strategy development exercises, in needs assessments, project formulation, monitoring and evaluation, and to see to it that the Buenos Aires Plan of Action on TCDC is fully implemented in the next decade at all stages of the programming cycle, and in all sectors of population activities supported by UNFPA.

2. On the focal point matter, the UNFPA TCDC Focal Point Officer coordinates the work of the internal task force, reports on TCDC activities within UNFPA programmes to a variety of audiences, e.g. the UNFPA annual report to the Governing Council, official statements and speeches, and trains UNFPA staff in TCDC in population activities. The TCDC Focal Point Officer also liaises with national focal points and with focal points in other parts of the United Nations in regard to TCDC matters.

3. On policies and procedures in the organizations of the United Nations system, UNFPA had put out the Guideline for Project Formulation and Appraisal for use by all programme staff at headquarters and in the field and included the TCDC aspects in all its staff training courses. In projects with potential for TCDC activities, this modality of cooperation is discussed at the Project Review Committee when dealing with each specific project. In addition, the Executive Director has recently directed that all staff pay particular attention to TCDC aspects in all their work planning and

performance. UNFPA has requested that its staff use the TCDC Information Referral System (INRES-South) in identifying suitable developing country institutions for obtaining project inputs at the project formulation stage.

6. United Nations Institute for Training and Research (UNITAR)

As UNITAR was designated an executing agency by the General Assembly only in December 1989 and signed the agreement with UNDP in January of this year, it is thus too soon for it to have had experience in applying the modalities of TCDC in its operational activities although in some seminars previously organized by UNITAR, participants were funded through TCDC. This being said, UNITAR still has a few observations to make regarding the report of the Group of Governmental Experts.

The first comment concerns the varying levels of awareness in field offices of the TCDC modality as well as the understandings and interpretations of the concept within some agencies. Under the sponsorship of the Consultative Committee on Substantive Questions (Office of Project Services) with the assistance of an Advisory Panel of which UNITAR is a member, the Turin Centre has designed a "Programme on management of field coordination for senior United Nations system representatives". There will be 7 workshops of 30 participants over an 18-month period starting in March 1991. This programme provides in component 3 "Collaboration and coordination at the country level", to introduce as a theme the TCDC concept. This seems to UNITAR to be a positive step by the United Nations system and deserves mention in the report.

A further point concerns the training of government officials in the concept of TCDC. UNITAR again feels that this should be included as part of an overall training programme for government officials involving concepts such as national execution of United Nations system operational programmes and projects and more effective and efficient use of assistance provided through UNDP Governments.

UNITAR's final point concerns the overall question of sensitizing of government officials and providing training in the concepts of TCDC. While UNITAR is aware that UNDP has its own in-house training facilities for field personnel, etc., UNITAR, under its Statute approved by the General Assembly, is mandated to provide training at various levels for the United Nations or specialized agencies, as well as for persons from developing countries. UNITAR has a number of ongoing training programmes and seminars particularly for officials from developing countries and for representatives of Governments which cover activities such as the maintenance of peace and security and the promotion of economic and social development. Within the latter group of activities there would seem to be scope to include the theme of TCDC.

7. Economic Commission for Latin America and the Caribbean (ECLAC)

The following comments are mainly addressed to section II of the Group of Governmental Experts' report and are summarized from ECLAC's document "Revised Guide to TCDC: supply and directory of institutions", chapter IV.

Requests for TCDC often require rapid or multisectoral responses, or responses involving joint participation by various institutions within the same sector, and consequently call for a rapid solution requiring rigorous technical knowledge and close coordination between a country's various TCDC agents. Moreover, since it is impossible to foresee the purpose and specifications of the different requests which are possible, it would seem to be necessary for countries to provide for considerable flexibility in the procedures to be followed. Experience has shown that it has not been easy to meet these requirements. Excessive bureaucratization, the absence of coordination between institutions in each country, and the need for greater technical support for national TCDC units represent three almost constant features of the practice of the different countries, which are considered to seriously hamper TCDC. These difficulties are compounded by others, which are not necessarily problems in the supplier country, such as those involved in the submission of requests and the scant availability of funds, which may affect both countries involved in a TCDC activity.

1. The need for greater technical support

There is considerable concern in the countries, particularly within the institutions involved in TCDC activities, over the need for a system which provides greater technical support for the directions, decisions and programmes adopted in this field. Particular importance is attached to the existence of a technically suitable coordinating agency at the national level. This is a necessary condition for ensuring that national institutions and national technical capacity in general are well represented and that, consequently, official channels possess the necessary legitimacy. It has often been observed that when the technical capacity of the national coordinating centres has been weak, decisions relating to action have taken longer, the response has been unnecessarily slow and, in addition, it has either not taken sufficient account of the possibilities of the national capacity or else it has omitted essential details relating thereto.

National institutions have put forward a number of suggestions with a view to solving this problem, including the following:

- There should be more frequent direct contact between the technicians participating in TCDC activities. Such closer contact could involve both technicians from a single country and those from several countries. It seems possible to establish concrete plans for collaboration between technicians as a means of supporting national policies.

- Specialized personnel should take part in the preparation of replies to requests for TCDC. It is often the case that technicians are deeply interested in participating more closely in TCDC policies, plans and programmes. This proposal is of even greater importance in the case of specific proposals, where technicians strongly desire to participate more effectively.

- Since universities are of considerable importance in national technical capacity, exchanges among universities should be promoted, in order to acquire greater knowledge of the progress made in each country in the field of research.

- Permanently updated registers of technical personnel should be kept in order to provide support for technical capacity. It has been stressed that a major obstacle to TCDC is the insufficient identification of consultants and the lack of due certification of their technical qualifications.

2. Excessive bureaucratization

The need to organize and coordinate TCDC has led to the definition of norms and channels of communication which lay down the procedure that requests and the responses thereto must follow. Excessive zeal has led to their being far too rigid and troublesome in many cases, and it is often necessary to obtain the approval of a series of higher instances before reaching the institutions which will actually be responsible for carrying out the activity.

The experience acquired in this respect has led to the conviction that the most efficient procedure in TCDC activities is direct contact between institutions. One of the most frequently made suggestions is that the procedure laid down for carrying out TCDC should be simplified. It has been pointed out that in this way contacts and agreements between the parties are simplified and a step is taken towards shortening the preparatory phase, thus eliminating the disparity which generally arises between the contents of a request and the response thereto, on account of which it is often necessary to reschedule activities after they have been agreed upon.

The suggestions which have been put forward for facilitating the participation of institutions in TCDC activities include two highly significant ones:

- It would be extremely useful if, at the same time as the request is submitted to the supplier country, a copy is sent directly to the institution which will take part in the activity requested. This precaution would ensure that while the official process of approving the request was under way, the institution would be able to make plans for the activity and harmonize it with its regular programme of work.

- Requests for cooperation should be planned sufficiently in advance so as to ensure that in programming them the actual time necessary for the respondent country to react and for the activities to effectively begin is taken into account.

3. Absence of coordination at the national level

It is often suggested that there is a need for greater knowledge of TCDC activities. In some countries it is not sufficiently clear what TCDC represents. In others, technical institutions are not fully aware which agency assumes the functions of a national coordinating centre and consider that their capacity is not correctly utilized. To a large extent these difficulties originate in the atomization of the domestic infrastructure which countries have established to carry out their TCDC activities and the lack of continuity among the teams responsible for cooperation. This state of affairs is also the result of a lack of compatibility between the political and purely technical spheres of TCDC, which hampers communication between the different agents participating in these activities.

These factors explain why, in spite of the existence of a TCDC policy in countries, there may be a kind of lack of communication between the national coordinating centre and the agencies which may take part in TCDC. This lack of communication is not to the advantage of cooperation activities because, among other reasons, satisfactory use is not made of the existing capacity and there is no coordination of TCDC with the internal planning of the different institutions from which collaboration is expected. All this weakens the degree of commitment of these institutions, which is a major factor in this sphere of action. It should not be forgotten that in the final analysis the cost of the human resources of each of these activities is borne by these same institutions.

4. The nature of the requests

As we have seen, the nature of the requests is another obstacle which generally hampers TCDC. If the observations made in this respect are systematized, it becomes apparent that it is necessary in each case to precisely identify the objectives of the activity requested, as well as the technical requirements, and to indicate their aim and the requisites for their application. It is important to take these aspects into account in order to facilitate response to the request. If this information is not available, it is difficult for an institution to have a clear picture of the exact technical requirements and of the most suitable response. It is clearly necessary to analyse the technical level required and the conditions under which the activity will operate during the execution phase, as well as the manner in which this technical innovation will subsequently be incorporated into the plans of the institution requesting it.

Stress should also be placed on the importance of submitting requests sufficiently in advance in order for the executing agency to plan them properly. It is also considered necessary for the activities requested to be

measurable, in order for them to be assessed. One of the concerns of agencies supplying TCDC Is to make efficient use of their own resources. For this reason, they have an interest in the feasibility of the activity requested as well as in the actual capacity of the applicant country to make use of it. Those countries which have given greater priority to TCDC frequently desire that the activities carried out with their participation should have a genuine impact on the development of the country requesting them.

For all these reasons, it is advisable to pay careful attention to the contents of requests, in order to save time and facilitate the task of the institution which will respond to them. This means that the applicant countries must possess a certain capacity to provide an exact definition of their needs in their requests for TCDC.

5. Shortage of resources

One of the crucial aspects in TCDC activities is the shortage of resources available to undertake action in this area. Lack of resources frequently means that agreements are inoperative. This restriction springs from the difficult circumstances of the countries of the region, as a result of which few of them are capable of devoting special funds to this purpose, so that the whole burden of the cost of TCDC is generally borne by the agencies involved. Furthermore, at the same time and for the same reason, many countries have redefined the role of public bodies and placed them on a self-financing basis. This considerably restricts the actual possibilities for institutions to carry out action in the TCDC sphere and accentuates the pragmatic nature of such action.

The lack of resources is even more marked on account of the present increase in the demand for TCDC. As a result of the economic constraints affecting them, the countries of the region have striven to make maximum use of the opportunities for strengthening their economies with the available resources. They have therefore had an opportunity to appreciate the potential capacity of TCDC for generating savings, solving problems and giving a vigorous impetus to each country's development processes, thereby representing a way of stimulating the generation of resources.

On account of the increased demand, the budgetary restrictions affecting institutions, and the limited funds available to the national coordinating centres (particularly in the case of foreign exchange), it is more feasible to respond to requests involving short-duration well-planned advisory activities. There is a close connection between this aspect and the suggestion regarding the need to observe the dates laid down in programmes and to comply with agreed procedure.

8. United Nations Centre for Human Settlements (Habitat)

With reference to the report of the Group of Governmental Experts, UNCHS believes that this constitutes a valuable assessment of current constraints preventing a more widespread and punctual utilization of the TCDC modality and

the establishment of a consolidated system for horizontal cooperation. UNCHS also tends to agree that a great deal of the limiting factors can be ascribed to issues of inadequate information and awareness; however, in noting the above, UNCHS considers it important that all are in a position to respond to the changing requirements for technical assistance, where recipient institutions request increasing specialization of skills and inputs. Accordingly, the TCDC modality, to be able to compete with more traditional forms of technical assistance, has to be able to reach the range of technical flexibility which would allow it to respond punctually and successfully to highly specialized areas of demand.

In this respect UNCHS feels that the report, while correctly highlighting lack of information as one of the major impediments, did not adequately emphasize a potentially very important corrective tool in the analytical section: the need to establish, on a sector-by-sector basis, adequate data banks on expertise available in developing countries, relevant sectoral policies and strategies, specific techniques and instruments successfully employed, institutions and organizations within the private and public sector, academic institutions and non-governmental organizations, which, once involved in a proper networking exercise, could strongly enhance a process of capacity building at the national level. The role of technical agencies in the United Nations system in addressing this need for specialized information and subsequent enforcing mechanisms should be stressed. While some further observations are made below in this regard in comments on the recommendations, UNCHS wishes to emphasize that it has long been aware of this need and is in the process of developing such databases of national expertise in human settlements development issues.

Effective information on relevant expertise which could be provided through the TCDC modality, once international sectoral databases are made available, would in the view of UNCHS be instrumental in changing some of the attitudes which are clearly described in the report, for example in paragraph 20.

On the role of agencies (see paras. 12, 19, 21, 22), UNCHS believes that the report indulges in generalizations which at least in the case of UNCHS largely are not applicable. UNCHS views the TCDC modality as a vehicle for enhancing awareness of the potential inherent in successful experiences and this, to UNCHS, is an instrument for project and programme advocacy, likely to create further opportunities rather than a "constraining factor" in expanding its activities (see para. 19). This is not only a statement of principle but a strategy which UNCHS has increasingly adopted in particular as a tool for project and programme formulation. The initial transfer of a successful country experience, in which UNCHS may or may not have been associated, by utilizing the trained national personnel, is viewed by UNCHS as an excellent instrument for highlighting the importance and potential impact of the specific strategy tool being transferred and therefore as a valuable catalyst for attracting financing from multilateral, bilateral and national sources. UNCHS cannot, therefore, share the rather pessimistic view emerging from the report on the role of agencies, which appears to be somehow self-serving and outdated.

On the subject of enforcement of policies and procedures regarding TCDC in the United Nations system, UNCHS wishes to stress that the future of the TCDC modality cannot depend on mandatory enforcement but rather on making the modality itself fully "demand driven" once the adequate instruments for "access" have been provided (primarily, technical information on expertise available).

The above comments have a bearing on UNCHS' interpretation of the recommendations in the report (paras. 34 to 70). While it fully endorses all recommendations made towards increasing awareness and improving dissemination of information on TCDC as a relevant modality in development aid, UNCHS would like to recommend that UNDP directly support the establishment of the information data banks on expertise available within developing countries, mentioned above. This is reflected in recommendations 56 and 69 and UNCHS would like to add that the role of agencies of the United Nations system in this exercise would be crucial, given their possibility to avail themselves of a global overview and networks for the sector(s) under their respective responsibilities. UNCHS views this as a primary tool to increase access by developing countries to effective horizontal cooperation on a highly selective and technically specific basis. This would also permit responding more punctually to actual demand originating at the national level, ensure clients' satisfaction and therefore be instrumental in correcting negative attitudes which are mentioned in the report. This approach can, in the view of UNCHS, better guarantee the regular implementation of the TCDC modality than a call for mandatory enforcement. In this respect, while UNCHS endorses the principle expressed in some of the recommendations (paras. 35, 40, 47) indicating the need for programming of additional resources for TCDC, UNCHS wishes once again to stress the relatively higher importance it attaches to action to make the TCDC modality fully competitive vis-à-vis other available options by ensuring a highly selective and specific technical delivery.

Finally, UNCHS wishes to refer to UNDP welcoming collaboration with agencies of the United Nations system in further consolidating and progressively decentralizing the INRES-South database operated by TCDC. UNCHS attaches high value to the possibility of being associated to the exercise, as already initiated with agencies such as FAO and UNIDO. This, no doubt, would greatly enhance the effectiveness of UNCHS' own undertaking in establishing sectoral databases on national expertise and capacities and provide a tool for more systematic collaboration with TCDC. It wishes, therefore, to welcome UNDP's suggestion and officially indicates UNCHS' readiness to participate in the exercise by inviting the Special Unit for TCDC to consider the possibility of establishing the human settlements arm of the INRES-South database in UNCHS.

9. Office of the United Nations High Commissioner for Refugees (UNHCR)

As the Office of the United Nations High Commissioner for Refugees mainly focuses on international protection and humanitarian assistance for refugees, it has not been directly involved in TCDC. Technical sections of the Office

are nevertheless examining the revised reporting format for the United Nations development system progress report to the High-level Committee and will determine the feasibility of presenting a UNHCR submission.

10. World Food Council (WFC)

The World Food Council has undertaken a careful review of the above-mentioned report. As it is basically in agreement with the analyses and recommendations made therein, WFC will not go into detailed observations. Nevertheless, WFC does want to share some of its concerns regarding TCDC which it feels have not been adequately addressed by the report.

TCDC has always been among the items for deliberation at the Council's ministerial sessions and most of its other meetings and consultations. In recent years, particularly since its ministerial session in Beijing in 1987, the Council has accorded it priority attention, as is reflected in its annual reports to the General Assembly. As a United Nations policy organ concerned with hunger alleviation and food security, the Council has - through a series of policy studies, seminars and workshops - identified a number of important fields for strengthening TCDC operations, among them food production, agro-industries and institution building. Council members have committed themselves to undertaking specific measures in support of such operations.

WFC's non-operational experience has shown that the promotion of TCDC is often an uphill fight. This is unlikely to change, and the progress and scope of TCDC operations will continue to be limited, as long as TCDC as a development concept is left outside the mainstream of development thinking. The solution to this lies in the upgrading of TCDC conceptualization and the formulation of specific criteria or standards in areas such as partnership, terms of cooperation and financing.

This lack of a well-conceived, commonly understood definition, which WFC feels is at the root of current confusion over what constitutes TCDC operations, has undoubtedly contributed to the insufficient awareness and the absence of a positive attitude which the report diagnoses. In the same way, the difficulties encountered in financing TCDC projects are aggravated by this failure to adequately demonstrate the unique features and special merits of TCDC operations, including their cost-effectiveness, sustainability and adaptability.

WFC does see a need for the strengthening of TCDC focal points, both at the national level and within the United Nations system, and agrees with the report's recommendations in this regard. The focal points should concentrate attention on: (a) the identification of projects and the preparation of sound submissions to the partners concerned; and (b) coordination. This would require the institutionalization of focal points at a level which ensures their full and effective involvement in project formulation and execution. In this regard, the mandate of the UNDP headquarters Special Unit for TCDC should perhaps be expanded to permit it to serve as a clearing-house for the

gathering, processing and dissemination of project ideas and proposals between developing countries and donors.

The World Food Council believes that the considerable potential of TCDC is still largely untapped and wishes to give its assurance that its active efforts to promote TCDC in the food sector and related development fields will continue.

11. United Nations Capital Development Fund (UNCDF)

While commenting on the recommendations in paragraphs 34 to 69 of the report of the Group of Experts, UNCDF feels more emphasis should be placed on cooperation with non-governmental organizations from the South in developing TCDC modalities to the benefit of priority beneficiary groups in developing countries. They often provide the most appropriate know-how in triggering TCDC partnerships. For instance, in this period UNCDF has recently subcontracted a project to the Grameen Bank in Nepal in an attempt to replicate, in least developed countries, the credit delivery mechanism for lower income groups that has been successfully developed by the Bank in Bangladesh.

12. International Trade Centre UNCTAD/GATT

The International Trade Centre UNCTAD/GATT agrees with the overall assessment reflected in paragraphs 10 to 33 of the report of the Group of Experts. In respect of trade promotion and development, a considerable amount of TCDC exists, where countries cooperate in product and market development, marketing and services. The recommendations in section III.B are fully supported.

Overall, ITC endeavours to encourage an exchange of experiences between countries in foreign trade operations through study tours and study missions, training courses and an increased recruitment of experts with the requisite skills from developing countries. With the growing emphasis on the expansion of the foreign trade sector in many national economic development plans, there is a very considerable interest by countries in learning from the experiences of other countries with successful export performances.

13. International Labour Organisation (ILO)

In order to remove impediments to TCDC being faced by organizations of the system, ILO suggests that training/orientation workshops on TCDC could be organized within interested United Nations agencies in order to create a forum for initial learning experience and exchange of ideas on the promotion and better utilization of the modality. ILO would very much encourage this dialogue with the Special Unit for TCDC in order to reinforce ILO policy guidelines and procedures for better use of contributions to TCDC efforts in technical cooperation programmes/projects within its sphere of competence.

14. Food and Agriculture Organization of the United Nations (FAO)

With reference to the report of the Group of Governmental Experts (DP/1990/77), FAO finds appropriate the interpretation of TCDC arrived at by the Expert Group and quoted in paragraph 8. FAO is in general agreement on the impediments identified in the report, although FAO believes that awareness, particularly lack of information on capacities and needs, and problems of financing are paramount among them. In connection with the latter, developing countries themselves, owing to budgetary constraints, are not always in a position to take a degree of responsibility for a significant and continuing allocation of their own resources for TCDC arrangements as a basis for attracting external catalytic resources required.

As to the recommendations for action by the United Nations system, the focal point unit which has existed since 1979 at FAO is striving to promote awareness and improvement of information on TCDC through a number of measures:

1. Semi-annual issues of a TCDC Newsletter (No. 8 under preparation) whose distribution list has been extended to 2,500 copies including many institutions and individuals outside FAO, as well as to member country delegations in Rome and to national government officials through the FAO country offices.

2. A handbook on TCDC is currently under preparation to clarify concepts and procedures to promote greater understanding of officials concerned with programme development and to serve as a general guide for staff orientation.

3. Although formal meetings are held about twice a year, regular contacts are maintained with TCDC focal points in the organization as well as with visiting Regional Office staff active in TCDC promotion.

4. It is intended to hold one-day orientation seminars for headquarters staff in the future, starting in 1991.

5. FAO Representatives, Programme Officers, and Associate Programme Officers are briefed on TCDC by the focal point unit on an individual basis and there is continued contact with FAO Representatives passing through headquarters in order to discuss TCDC opportunities. Furthermore, FAO Representative annual reports for 1990 will have TCDC/ECDC as a special theme and a general synthesis paper will be prepared as a follow-up.

It may be relevant to note, with particular reference to paragraph 55 of the report, that by the end of 1989, 54 per cent of all experts in posts under FAO's field programme came from developing countries, a significant increase over past years. There has also been a continued growth in the number of candidates submitted from developing countries, underlining the consistent efforts made by the organization in this regard.

On the question of financing, FAO looks forward to receiving the updated version of UNDP's booklet on sources of financing for which FAO and other agencies submitted their contributions earlier this year. (Further to this point, consideration might be given by UNDP to the possibility of including in the budgets for regional, interregional and global projects specific allocations or seed money for TCDC activities under such projects where appropriate.

Regarding policies and procedures, FAO would agree with the need for programme and project manuals to be reviewed and amended to emphasize consideration of TCDC alternatives in the formulation, appraisal and approval of development projects. Since FAO procedures for trust fund projects follow fairly closely the UNDP model, FAO looks forward to receiving UNDP's revisions to manual and guidelines. As to the FAO Technical Cooperation Programme (TCP), funds are limited and procedures are geared to its particular criteria, although there is a special category for intercountry ECDC/TCDC activities and an effort is made to introduce the TCDC modality in other projects where feasible.

FAO is developing closer links with INRES-South; computer equipment has been ordered and updated data files and software have been requested. It is intended to complement basic information from INRES regarding the agricultural sector with data from other sources, including CARIS/AGRIS.

Finally with regard to paragraph 69, particular attention will be given to the roles described for organizations of the United Nations system. For this task, close cooperation will be needed between the organization unit for TCDC and focal points in divisions and Regional Offices. In connection with subparagraph (e), two in-depth reviews of TCDC experiences (Network on Fish Technology in Africa, and Asia and Pacific Regional Agricultural Credit Association - APRACA) have been published; others are expected to be issued shortly. TCDC project experience is regularly reviewed, although in lesser depth, in the TCDC Newsletter.

15. International Civil Aviation Organization (ICAO)

The following comments are offered in reference to the Expert Group's report.

Paragraph 8

The "interpretation" of TCDC is quite clear and agreeable to ICAO.

Paragraph 11

ICAO agrees that a very important consideration should be to take whatever action is necessary to make widespread dissemination and public awareness of TCDC in the private sector and non-governmental organizations. This can be carried out by urging the private sector and non-governmental organizations to participate in TCDC.

Paragraph 17

It is important that the agency or institution of the Government which is expanding its funds to promote and execute TCDC activities is able to secure reimbursements for these costs to the maximum extent possible from their government treasuries in a timely manner.

Paragraph 19

It is true that, in highly technical agencies such as ICAO, the possibility of TCDC activities may not be as great as in the more generic agencies, but ICAO in particular has made efforts to establish TCDC funds with one of the newly industrialized countries and remains very sensitive to the encouragement of institution building.

Paragraphs 27 and 30

ICAO fully agrees that one of the major impediments to increased TCDC is scarcity of funds available for that purpose at all three levels: government, UNDP and specialized agencies.

Paragraph 47

ICAO supports the recommendation for an increase of funding in UNDP earmarked for TCDC in the regional, interregional and global bureaux.

Paragraphs 56 and 57

ICAO agrees with both recommendations dealing with more widespread publicizing of TCDC concepts, opportunities and potential.

Paragraphs 60 to 62

This is similar to paragraphs 27 to 30 and ICAO would welcome more UNDP funds to promote and execute TCDC activities.

Paragraphs 63 to 70

These recommendations are all supportable.

ICAO realizes the importance and the benefits which can be derived from TCDC and will continue to consider applicability of TCDC when assisting Governments in the formulation of their projects.

16. World Health Organization (WHO)

I. Introduction: Interpretation and scope of TCDC

WHO is in agreement with the Group's interpretation of TCDC, namely that "TCDC is the execution and management of developmental activities and projects by institutions of developing countries in which they share one another's experience and technical capacities and utilize, whenever necessary, advice and financial support from external sources including organizations of the United Nations development system. In this regard, TCDC should be seen as an integral part of country, regional and interregional programming of international technical cooperation, as a modality of technical cooperation, a cost-effective instrument for enhancing technical cooperation to developing countries" (DP/1990/77, para. 9).

II. Impediments to technical cooperation among developing countries

Awareness and information

WHO shares the view of the Group on the insufficiency of awareness in countries about the TCDC potential for economic development. Different levels of awareness and different understandings of TCDC exist within and among developing countries, the private sector and non-governmental organizations, particularly in the links that exist between health and socio-economic development and the role TCDC can play in this process. The improvement of health not only results from genuine socio-economic development as distinct from mere economic growth; it is also an essential investment in such development. With insufficient understanding of the intimate interrelationship between health and economic development and the potential of TCDC for the mutual reinforcement of health development policy and socio-economic development policy, many developing countries are not formulating their health policies and priorities within the context of economic development priorities and adjustment processes that are currently taking place in most developing countries.

Similarly, there are varying understandings and interpretations of the concept of TCDC within the United Nations development system, which often equates traditional technical cooperation activities as being equal to TCDC activities.

Attitudes

WHO agrees with the Group's conclusion that there has not been a consistent approach to TCDC in many developing countries, owing mainly to insufficient awareness and information, as well as the lack of continuity in the various national institutions or organizations dealing with the use of TCDC. In the health sector, most of the Governments have used more or less traditional terms of project executions rather than using TCDC as a means for overall health system development. Increased attention should therefore be given to institutional strengthening in developing countries, to increase

their capacities for planning and management of national health systems based on primary health care, and to extend their programmes, services and institutions delivering primary health care to the population.

Focal points

WHO agrees with the conclusion of the Group that effective focal points both in Governments and United Nations system organizations represent one of the crucial elements for the full use of TCDC as a cost-effective and adequate mechanism for promoting development. Therefore, a significant impediment to TCDC is the lack of, or weak functioning of, focal points for TCDC. WHO's finding is that in many developing countries focal points for TCDC in health have not been established, not at least at the levels that could effectively coordinate TCDC activity in support of national health development. WHO has also observed difficulty in communication between focal points for health (where they exist), and other sectors' focal points at the government level. Problems in coordination between sectors exist. One of the biggest problems for effective functioning of national focal points on TCDC for health development is the lack of or inadequate information on national needs and priorities for TCDC for health development.

Financing

WHO shares the views of the Expert Group that the increasing scarcity of financial resources for TCDC constitutes a major impediment, together with the lack of information on possible sources of financing for TCDC activities. A significant impediment to TCDC for health development lies in complicated administrative procedures in the various financial institutions.

Policies and procedures in the United Nations system

WHO is in agreement with the conclusion of the Group that there has not been adequate enforcement of government guidelines regarding the use of TCDC. Current organizational structures in WHO do not enable a clear identification of responsibilities with regard to the use of TCDC for health development nor of a systematic application of TCDC modalities in the processes of identification, formulation, appraisal and approval of programmes and projects.

III. Recommendation for action

A. Action at the government level

Promotion of awareness and improved dissemination of information on TCDC

For TCDC to become a viable instrument in national health development, Governments should utilize TCDC modalities in their national health planning activities, particularly when programming the use of WHO resources through two-year cycles of programme/budget activities. TCDC concepts, principles and approaches, in order to become an effective government instrument, should be

shared with planners and programmers in Governments as well as national institutions and organizations interested in TCDC. Training programmes, briefing and orientation sessions for key national staff involved in planning and programming national health development activities might be a potential source of action to remedy the sitution.

Interested Governments of developing countries should consider more often undertaking bilateral or multilateral TCDC planning among themselves with a view to identifying potentials for TCDC arrangements.

Promotion of a positive attitude towards TCDC

WHO agrees with the conclusion of the Group that a positive attitude towards TCDC should be encouraged through the sharing of successful experiences that would highlight TCDC as a cost-effective and appropriate tool for fostering cooperation. To that end, orientation seminars and workshops for government officials and other personnel involvement in TCDC could be suitably organized with the assistance of the Special Unit for TCDC of UNDP. WHO also agrees with the conclusion of the Group that Governments of developing countries should give due regard to the use of TCDC modalities when planning or implementing programme/budget activities.

Focal points

WHO shares the views of the Group that the developing countries who have not yet done so should establish national focal points for TCDC and that existing focal points should be strengthened. National focal points for TCDC should have an effective coordinating role of all sectors involved in TCDC. A focal point for health should be established within the Ministry of Health. WHO agrees that focal points for TCDC should receive adequate training in programme project formulation, monitoring and evaluation, as well as in the policies and procedures of UNDP, WHO and other cooperating agencies of the United Nations system.

Financing

WHO is of the opinion that financing of TCDC is the primary responsibility of developing countries and, therefore, the Governments of the countries concerned should find ways and means of mobilizing their own resources for the implementation of activities decided on by themselves. WHO also agrees that the international community has a definitive role to play in providing substantial support to TCDC.

In planning programme/budget activities for the biennium 1992-1993, WHO has, for the first time, planned financial resources for the implementation of TCDC for Health-for-All activities.

WHO stands ready to support such arrangements of two or more developing countries with a view to increasing the flow and effectiveness of international cooperation available to developing countries.

WHO agrees to support national focal points on TCDC to receive more adequate training on financial matters related to TCDC, including information on sources of financing.

Policies and procedures in the United Nations system

The World Health Assembly adopted resolution WHA43.9 in May 1990 on improving technical cooperation among developing countries through the implementation of a medium-term programme on TCDC for Health for All, for the period 1990-1995, and an appropriate report will be made in even numbered years to the WHO's Regional Committees, the Executive Board and the World Health Assembly.

B. Action by the United Nations system

Promotion of awareness and improvement of information on TCDC

WHO wonders whether it will be the correct approach to train its staff in TCDC concepts and methods. Instead, WHO emphasizes the concept of "learning by doing". That is, when formulating country programme/budget proposals, WHO staff at the country level should exercise their competence and further improve their capacities for effective deployment of TCDC in programme/budgeting at the country level. The WHO representatives could strengthen their capacities for improving the information flow to Governments of developing countries as a potential for TCDC. Also WHO could undertake the publicizing of information on developing countries' needs and priorities for TCDC for health development.

Focal points

WHO could provide better assistance to countries in the establishment and/or strengthening of national focal points for TCDC, based on government requests. Unfortunately, many developing countries have experienced economic difficulties and debt problems over the past decade and have conducted economic adjustment programmes to cope with the situation. Many of these countries have weak infrastructures and particularly the infrastructure for TCDC is non-existent in most of these countries. WHO has focal points for TCDC at regional offices and headquarters, but not on a full-time basis.

Financing

WHO has been financially supporting TCDC activities at the country level, regionally and globally. It has supported the formulation of a medium-term programme on TCDC for Health for All, for the period 1990-1995. WHO has provided financial support for global coordination and monitoring of the implementation of medium-term programme activities. Also WHO has supported the development of a mechanism for the exchange of information and experiences between countries on the use of TCDC for health development.

Many programmes and projects for the control of certain diseases are supported financially by WHO.

Policies and procedures in the organizations of the United Nations system

WHO is in general in agreement with the recommendations of the Group of Governmental Experts on TCDC as contained in paragraph 69 of its report, with respect to the roles various agencies of the United Nations system should exercise in formulating and implementing programmes and projects on a TCDC basis.

17. World Meteorological Organization (WMO)

With reference to the report of the Group of Governmental Experts on TCDC, WMO has no significant comment to make.

18. International Maritime Organization (IMO)

Regarding the recommendations in paragraphs 53 to 57 of the report of the Expert Group, IMO looks forward to the Planner's Handbook on TCDC, currently under preparation, which will undoubtedly clarify and promote the concept of TCDC as an important and cost-effective instrument of technical cooperation. It is hoped that a sufficient number of copies, in various languages, will be available for distribution also to private/public entities involved in specific UNDP/agency programming exercises or other promotional activities. The IMO Programming Exercise in Maritime Activities in Latin America and the Caribbean is progressing satisfactorily, but an inordinate amount of time was devoted to promoting the concept, usefulness and mechanics of TCDC at the national level. It is hoped that the Handbook will optimize scare resources available for the promotion of TCDC.

Full support is given to the recommendation in paragraph 69, which is already being implemented by the organization to a large extent, within available means, and as requested by recipients.

19. International Fund for Agricultural Development (IFAD)

With regard to the report of the Group of Governmental Experts on TCDC, IFAD fully supports and endorses the need to clearly identify the impediments to TCDC and solutions required in order that developing countries can participate efficiently in a collaborative mechanism, as both providers and beneficiaries/recipients of relevant technical knowledge. The Fund is, therefore, happy to note efforts made by the Special Unit for TCDC, in response to the decision of the High-level Committee on the Review of TCDC, to bring together the Group of Governmental Experts on TCDC in the quest for resolving the issues which prevent the smooth functioning of TCDC mechanisms. The Fund is also pleased to note that the objective of the meeting was to

assist developing countries to adopt recommendations which would enhance their collective ability to pursue a fruitful cooperative effort in technology generation and transfer.

With special reference to section B, Action by the United Nations system (paras. 53 to 70), it is suggested that the recommendations be worded in a way that the role expected of the various organizations/agencies in the United Nations development system can be brought out more clearly. As it stands at present, since the report is addressing the UNDP Governing Council, most of the recommendations seem to be relevant merely to UNDP and the Programme's offices resident in developing countries.

IFAD is already adopting many of the recommendations listed under the section under reference, by virtue of the very nature of its operations. For instance, paragraph 55, which spells out the need for technical assistance to developing countries in project formulation/preparation, the use of developing country experts in technical missions etc., has been adhered to by the Fund for over a decade. It welcomes the opportunity this recommendation provides to other organizations of the United Nations development system to do the same, towards facilitating TCDC through the exposure it provides to national scientists/experts in other developing countries.

IFAD, as a financial institution and a United Nations development system agency will continue to facilitate TCDC efforts, as appropriate, especially through its Technical Assistance Grants Programme and particularly through its support for agricultural research, within the framework of networking. In this context, it will endeavour to assist developing countries through the mobilization of resources to support regional collaborative research network projects in developing countries, in accordance with paragraph 69 (f) of the report. Finally, it will seek to establish a focal point for TCDC operations of the Fund (in accordance with paragraph 59) and will endeavour to be represented at the annual meetings of the TCDC focal points of United Nations development system organizations, organized by the Special TCDC Unit (para. 70).

20. United Nations Industrial Development Organization (UNIDO)

UNIDO agrees with the report of the Group of Governmental Experts regarding the main impediments to TCDC identified by the Expert Group as well as with its recommendations for action aiming at overcoming the impediments and thus strengthening TCDC. UNIDO's specific comments are as follows:

(a) The definition of TCDC is now substantially more comprehensive than previous ones. In UNIDO's view, the definition should be broadened to cover the private sector and non-governmental organizations which play a key role in the industrial sector, both as donors and beneficiaries.

(b) UNIDO agrees with the view that, although effective focal points in each country are crucial for full use of TCDC as a cost-effective tool for industrial development, many countries do not have them and those that exist are weak, particularly with respect to industrial problems. In view of this, United Nations organizations should assist Governments to establish or strengthen their national focal points to ensure their roles in promoting and implementing TCDC. In the "absence or weakness of regional or subregional focal points", cooperation programmes should be developed with regional commissions with a view to promoting TCDC within regions. As a first step it will identify the considerable institutional, public and private sector's capacities for TCDC in order to promote cooperation in the region and subregion.

(c) Financing is the most crucial element for TCDC. With the increasing scarcity of financial resources for TCDC and taking into account that financing is the primary responsibility of the developing countries (see paras. 26 and 27) and without prejudice to the financial contributions by the United Nations system, Governments should be requested to: (i) make use of their national IPF for financing their nationals' travel and daily subsistence allowance when undertaking operational TCDC abroad; (ii) make use of their own funds for local expenses for other countries' nationals undertaking operational TCDC in their country; (iii) encourage the private sector to undertake TCDC on their own funds, including trust fund arrangements; and (iv) increase use of TCDC modalities in regional, interregional and global projects.

(d) Adequate training in TCDC concepts and modalities. In UNIDO's view, regular training programmes, seminars or workshops for staff of United Nations organizations and government officials dealing with TCDC should be organized in order to alleviate the attitudinal barriers to the use of TCDC as a tool for industrial development and to keep TCDC in the mainstream activities of the United Nations system.

(e) Publications on capabilities and needs of developing countries for TCDC by country and sector; Planner's Handbook on TCDC and a brochure on the concept, potential and usefulness of TCDC are important in UNIDO's view.

UNIDO considers that such publications should be widely circulated to the planners and programmers in Governments and national institutions and organizations interested in TCDC and to all United Nations organizations' TCDC/ECDC focal points in order to maximize the use of TCDC.

(f) Regional and subregional organizations should be assisted in the compilation of directories of industrial consultants and consultancy organizations in the areas. By disseminating such information, the use of expertise from the South will be significantly increased. At the sectoral level, directories of available technologies and areas where joint research and development is sought should also be published.

21. International Atomic Energy Agency (IAEA)

IAEA has no specific comments on the report of the Group of Governmental Experts on TCDC.